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Author:

Duluth (Minn.) Board of
Trade

Title:

Articles of incorporation
and general rules and...

Place:

Duluth

Date:

1933

45-82388-2

MASTER NEGATIVE #

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	The Duluth Board of Trade, Contract grades (2 l.) tipped in at front.

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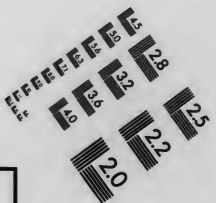
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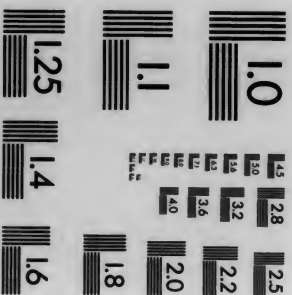
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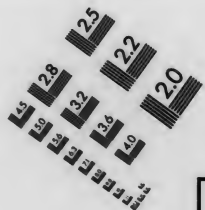
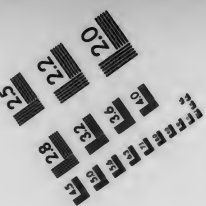
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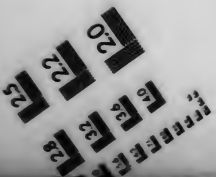
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ARTICLES OF INCORPORATION

AND

**GENERAL RULES AND
BY-LAWS**

OF THE

DULUTH BOARD OF TRADE



1933

D255.1

D88

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School of Business

The Duluth Board of Trade

CONTRACT GRADES

RULE XIV. Sec. 1. On all contracts for grain for future delivery, the grades shall be, unless otherwise specified:

Spring Wheat: No. 1 Northern Spring, contract grade. On contracts for future delivery of Spring Wheat the following grades shall be deliverable at the price differences given:

- No. 1 Dark Northern Heavy, 2 cents above the contract price.
- No. 1 Dark Northern, 1 cent above the contract price.
- No. 1 Northern Heavy, 1 cent above the contract price.
- No. 2 Dark Northern, 2 cents under the contract price.
- No. 2 Northern, 3 cents under the contract price.

Durum Wheat: No. 2 Amber Durum, contract grade. On contracts for future delivery of Durum Wheat, the following grades shall be deliverable at the bases given:

- No. 2 Hard Amber, 2 cents above the contract price.
- No. 3 Hard Amber, 2 cents under the contract price.
- No. 1 Amber, 2 cents above the contract price.
- No. 1 Mixed Durum, 3 cents under the contract price.
- No. 2 Mixed Durum, 5 cents under the contract price.
- No. 1 Mixed Durum, meeting the requirements as specified in Note 1, 1 cent above the contract price.
- No. 2 Mixed Durum, meeting the requirements as specified in Note 1, 1 cent under the contract price.
- No. 1 Mixed Durum, meeting the requirements as specified in Note 2, at the contract price.
- No. 2 Mixed Durum, meeting the requirements as specified in Note 2, 2 cents under the contract price.

Note 1. Durum applicable under this Note shall contain not less than 75 percent of hard and vitreous kernels of Amber color, not more than 15 percent of other Wheat, of which not more than 5 percent shall be Red Durum and/or White, and/or Winter, and otherwise shall be equal to the requirements of No. 1 and No. 2 Mixed Durum grades.

Note 2. The requirements for Mixed Durum Wheat applicable under this Note shall be the same as those under Note No. 1, except that it shall contain not less than 60 percent of hard and vitreous kernels of Amber color.

Flaxseed: No. 1 Flaxseed, contract grade. Any Flaxseed wherever grown, that shall be graded No. 1 shall be deliverable at the contract price. No. 2 Flaxseed, wherever grown, shall be deliverable at a penalty equal to 2 per cent of the contract price.

Malting Barley: No. 2 Malting Barley, contract grade, with the following grades deliverable at the price differences given:

- No. 1 Malting Barley, 2 cents above the contract price.
- No. 3 Malting Barley, 10 cents under the contract price.

Feed Barley: No. 2 Barley, contract grade, with the following grades deliverable at the price differences given:

- No. 1 Barley, 2 cents above the contract price.
- No. 3 Barley, 4 cents under the contract price.

Rye: No. 2, contract grade, with No. 3 deliverable at a penalty of 3 cents per bushel.

The grades of spring wheat, durum wheat, rye, barley and flaxseed referred to in this section shall be according to the standards established under the provisions of the United States Grain Standards Act.

(The last paragraph was adopted to be effective August 1, 1934. Federal standards of flaxseed will not be effective until that date. Prior to then grades will be as established by the state inspection departments.)

**Articles of Incorporation
and
General Rules and By-Laws
of the
Duluth Board of Trade**

1933
MATTOCKS-McDONALD PRINTING CO.
DULUTH, MINN.



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~~381~~
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May 4, 1939 W.H.M./TEC

Articles of Incorporation of The Duluth Board of Trade

The undersigned hereby associate themselves and organize as a corporation by the adoption of the following articles of incorporation, as authorized by "An Act to authorize the organization of persons as a Chamber of Commerce or Board of Trade, and to incorporate such organization approved March 6, 1868."

ARTICLE I

The corporate name of this corporation is The Duluth Board of Trade.

The general nature of its business is to establish and maintain uniformity in commercial usages; to inculcate just and equitable principles of trade; to adjust controversies and business disputes; to acquire and disseminate valuable business information, and particularly to maintain a commercial exchange, and secure to its members the benefits of co-operation in the furtherance of their legitimate pursuits. The principal place of the transaction of said business is in Duluth, St. Louis County, State of Minnesota.

ARTICLE II

The time of commencement of this corporation is the third day of January, A. D. 1881, and the period of its continuance is thirty (30) years from and after said date.

ARTICLE III

The qualifications and terms of membership in this corporation shall be as fixed by the by-laws of the same, and the membership shall be subject to such by-laws and to such fees and assessments as may be fixed by the Board of Directors from time to time.

ARTICLE IV

The names and places of residence of the persons forming this corporation are:

GEORGE SPENCER, Duluth, Minnesota.
 C. MARKELL, Duluth, Minnesota.
 A. J. SAWYER, Duluth, Minnesota.
 OWEN FARGUSSON, Duluth, Minnesota.
 W. T. HOOKER, Duluth, Minnesota.
 W. W. DAVIS, Duluth, Minnesota.
 R. S. MUNGER, Duluth, Minnesota.
 C. H. GRAVES, Duluth, Minnesota.
 W. VAN BRUNT, Duluth, Minnesota.

ARTICLE V

The names of the first Board of Directors of this corporation are:

GEORGE SPENCER	W. T. HOOKER
OWEN FARGUSSON	C. H. GRAVES
C. MARKELL	A. J. SAWYER
R. S. MUNGER	W. W. DAVIS

W. VAN BRUNT

who are to hold their offices as such until the third Tuesday of January, A. D. 1881, at which time a new Board of Directors is to be elected by the members of the corporation, who shall hold their offices as such for one year, or until their successors are duly elected. The government of this corporation is hereby vested in a president, one vice-president and five directors who, collectively, including the president and vice-president, shall be known as the Board of Directors, who, together with a secretary and a treasurer, shall be elected annually.

In testimony of all of which we hereunto set our hands and seals this third day of January, A. D., 1881.

GEORGE SPENCER,	(Seal.)
C. MARKELL,	(Seal.)
A. J. SAWYER,	(Seal.)
OWEN FARGUSSON,	(Seal.)
W. T. HOOKER,	(Seal.)
W. W. DAVIS,	(Seal.)
R. S. MUNGER,	(Seal.)
C. H. GRAVES,	(Seal.)
W. VAN BRUNT,	(Seal.)

STATE OF MINNESOTA,

County of St. Louis—ss.

Before me, the undersigned, a notary public in and for the said county, this day came personally George Spencer, C. Markell, A. J. Sawyer, Owen Fargussen, W. T. Hooker, W. W. Davis, R. S. Munger, C. H. Graves, W. Van Brunt, the signers of the foregoing articles of incorporation, and severally acknowledged the same to be their voluntary act for the purposes herein set forth.

Witness my hand and notarial seal at Duluth, in said county, this third day of January, A. D., 1881.

C. E. BOSTWICK,
 Notary Public

(Notarial Seal.)

AMENDMENT

ARTICLE V

(As amended by resolution and adopted March 26th, 1902.)

The names of the Board of Directors of this corporation are:

George Spencer, A. W. Frick, A. B. Wolvin, S. H. Jones, J. N. McKindley, J. F. McCarthy, G. S. Barnes, B. E. Baker, Thos. Gibson, who are to hold their

offices as such as follows, namely: The said A. W. Frick, George Spencer and A. B. Wolvin, until the first Monday after the annual meeting of 1903; the said S. H. Jones, J. N. McKindley and J. F. McCarthy, until the first Monday after the annual meeting of 1904; and the said Geo. S. Barnes, B. E. Baker and Thos. Gibson until the first Monday after the annual meeting of 1905; and until their successors are duly elected. The government of this corporation is hereby vested in a President, one Vice President and nine (9) directors, who collectively, including the President and Vice-President, shall be known as the Board of Directors. The President and Vice-President shall be elected at each annual meeting and shall hold office for one year, and until their successors are duly elected.

The members of the Board of Directors, other than the President and Vice-President, shall hold their offices for three (3) years, and until their successors are duly elected, and three (3) of their number shall be elected at each annual meeting.

The annual meeting of this corporation shall be held on the Third Tuesday of January in each year, and the official terms of all officers elected thereat shall commence the first Monday thereafter.

EXTENSION OF CHARTER

The corporate life of the Duluth Board of Trade was extended for a period of thirty years from January 3, 1911, by resolution adopted by its members on July 29, 1910, which resolution was filed with the Secretary of State of the State of Minnesota, on December 22, 1910, duly published as required by law, and acknowledgment of proof of publication given on December 27, 1910, by the Secretary of State of the State of Minnesota.

General Rules and By-Laws of The Duluth Board of Trade

RULE I

Government and Elections.

Section 1. The government of the Board of Trade of Duluth is hereby vested in a president, a vice-president and nine directors, who, including the president and vice-president, shall be known as the board of directors; all of whom shall have been members of the association for at least one year next preceding their election. The president, vice-president and three directors shall be elected annually. The president and vice-president shall hold their offices for the term of one year, or until their successors shall have been elected and qualified. The directors shall hold their office for the term of three years or until their successors have been elected and qualified. Six members of the board of directors shall constitute a quorum for the transaction of business, but less number may adjourn from time to time to any fixed date preceding the next regular meeting of said board.

Government
of the
Association.
How vested.

Quorum.

The word "Association", whenever used in these rules shall be understood to mean The Duluth Board of Trade

Whenever in these rules the word "member" is used, it shall be construed to include all firms or corporations recognized as members of the Association pursuant to Section 9 of Rule IX, but no such firm or corporation shall have power to vote upon any question that may come before the Association at any regular or special meeting.

Boards of
arbitration
and appeals.

Sec. 2. There shall also be elected by the members of the Association, at the same time and in the same manner fixed for the other officers of the Association, a Board of Arbitration consisting of three members, and a Board of Appeals consisting of five members, who shall hold their respective offices for the term of one year, or until their successors shall have been elected and qualified. The qualification for election to either of these boards shall be the same as for the office of director. No person shall at the same time be a member of both boards, and no member of the Board of Directors shall be a member of either board.

Time for
holding an-
nual elections.

Sec. 3. The annual election for all elective officers, not otherwise provided for, shall be held in the exchange rooms, on the third Tuesday in January in each year, between the hours of 10 o'clock a. m. and 1 o'clock p. m.; and all voting shall be by ballot. Notice of such election shall be given by posting on the bulletin of the exchange room for one week previous to said election. The official term of all officers shall commence on the Monday succeeding their election.

Nominations
of Candidates

Sec. 4. At least thirty days before the annual election it shall be the duty of the president to present to the Board of Directors for ratification the names of five members of the Association, who shall constitute a nominating committee. The various branches of business transacted on the Exchange shall, so far as practicable, be represented on the committee, and officers and directors shall not be eligible for appointment on the committee. It shall be the duty of the nominating committee to post in the Exchange room, at least ten days prior to the annual election, a list of candidates for the elective offices, which said list shall consist of two candidates for President, two candidates for Vice President, and two candidates for each of the vacancies occurring on the Board of Directors, the Board of Arbitration and the Board of Appeals. Any vacancy occurring in the list of nominations may be filled by the nominating committee. Nominations may be made

for any office by petition signed by twenty-five members of the Association and filed with the Secretary at least five days before the annual election and the name of any candidate nominated by petition shall be placed upon the same ballot as those nominated by the nominating committee. No member shall sign a nominating petition for more than one candidate for each of the elective offices to be filled.

If a vacancy shall occur in any office which under the rules is to be filled at a special election, the nominating committee which named candidates for the preceding annual election shall, at least five days before the said special election, post the names of two candidates for each office to be filled, and nominations may be made by petition in the same manner as at the annual election, except that it shall be sufficient to file said petition with the Secretary three days before the date of said special election. The candidates chosen by the nominating committee and those presented by petition shall be printed on the same ballot.

Nominations
for Special
Elections

Sec. 5. For president and vice-president a majority of all the votes cast shall be necessary to a choice; but for all other elective officers a plurality shall elect.

Requirements
of an election.

Sec. 6. In case of failure to elect any officer voted for at the annual election another election shall take place on the following day, and if there should again be a failure to elect any or each of the officers, another election shall take place on the day next following. If at such adjourned election there shall again be a failure to elect such officer, then the person holding such office shall be continued in office until the next annual election.

Failure to
elect.

Sec. 7. In case of the death or resignation or removal of the president, vice-president, directors or members of either of the boards or arbitration or appeals, it shall be in the power of the Association to fill such vacancies, for the remainder of the official term, at any regular or special election thereafter. Notice of said special election shall be given

Special elec-
tion.

at least three days immediately preceding such election, by posting on the bulletin of the Exchange.

Tellers.

Sec. 8. It shall be the duty of the president, prior to any election to be held by the Association, to appoint, or cause to be appointed, a sufficient number of tellers, who shall have charge of ballot boxes and poll lists of the Association; and who shall receive consecutively, and place the same in the ballot box, all ballots of members who shall be in good and regular standing, who shall have paid all dues and assessments. They shall keep a record of all members voting, and opposite each name shall place the number of the ballot deposited by said member. Two of the tellers shall constitute a quorum for receiving and recording the votes. No ballot box shall be opened nor shall any votes be counted, except in the presence of at least three of their number. They shall make all returns in writing to the President of the Association, duly signed by at least three of their number; and the Secretary shall preserve all the ballots for the period of at least one month, for further examination, if the same shall be ordered by the Board of Directors, to verify the correctness of the return of said tellers.

Qualification of voters.

Preservation of ballots.

General powers.

RULE II

Duties of President.

Section 1. It shall be the duty of the president to act as the general executive officer of the Association and of the Board of Directors, to preside at all meetings of either of these bodies and to direct the proceedings of each in accordance with the rules, by-laws and the rules of order governing the same.

He shall have power to call special meetings of the Board of Directors and of the Association. Upon the written request of five members he shall call special meetings of the Association, which shall be done by causing notice of the same to be publicly announced on exchange; provided, such request shall state the object for which said meeting is to be called, and is made at least three business days preceding the said meeting.

He shall countersign all orders in payment of accounts against the Association ordered to be paid by the Board of Directors, and in the absence of the secretary shall appoint one of the members to officiate in his place for the time being.

Sec. 2. It shall be the duty of the president to preserve order and proper business decorum in the exchange rooms of the Association during all business hours, and in case any member or other person shall be guilty of any disorderly, boisterous or offensive conduct while in the exchange rooms, he shall be suspended from the privilege of admission to said rooms for such time as may be determined by the president; subject, however, to appeal to the Board of Directors; but pending such appeal he shall not be suspended until the order of the president suspending the member shall have been approved and sustained by the Board of Directors.

To preserve order in Exchange room.

Sec. 3. It shall be the duty of the president to temporarily fill any vacancy which may occur in any appointive office of the Association and to appoint all committees whose appointment is not otherwise provided for.

RULE III

Duties of Vice President

Section 1. It shall be the duty of the vice-president to perform the duties of president in case of his absence or disability.

RULE IV

Duties of Directors

Section 1. All the financial and business concerns of the Association shall be managed and conducted in accordance with the charter and rules of the Association, by and under the direction of the Board of Directors; and no money shall be paid except on its vote on each sum proposed to be paid. No appropriation of money or other property of the Association shall be made, except to defray its legitimate business expenditures, or to promote the purpose of the organ-

Affairs of the Association.

ization. It shall be the duty of the Board of Directors to inquire into matters affecting the welfare of the Association or the business interests of the city of Duluth, and to report upon the same to the Association, together with such recommendations as to rules and regulations, rates of commission and charges, as may be deemed advisable.

To appoint
officials and
employees
and fix
salaries.

Sec. 2. The Board of Directors shall, on the Tuesday succeeding each annual election, or as soon thereafter as may be practicable, appoint a secretary and treasurer and other officers, clerks, assistants and employees, as they may consider necessary for the purpose of the Association. They shall also, at the same time fix the compensation for the services of the secretary and treasurer for the ensuing year, and of all other officers, clerks, assistants, and employees of the Association. The Board of Directors may establish such regulations for the direction and government and payment of such appointees as it may think proper. The term of all such appointees shall commence on the Tuesday succeeding their appointment or at such other time as the Board of Directors may designate, and shall continue for one year or until their successors are appointed and assume their duties; but all such appointments shall be revocable at the will and pleasure of the Board. The Board of Directors may require of all appointees an oath to well and faithfully perform all and singular the duties of their office, and a good and sufficient bond to secure such performance.

Removal of
officers.

Sec. 3. Any officer or appointee of the Association who receives a salary or fees as compensation for services, may be removed from office for any cause deemed sufficient, under the same rules provided for the suspension or expulsion of members, who may be found guilty of a breach of the rules, or misconduct in business affairs and in case of the removal from office of any such officer or appointee, his salary or fees shall cease from the date of such removal.

Meeting of
Directors.

Sec. 4. The regular meetings of the Board of Directors shall be held on the second Tuesday of each

month, and special meetings may be held as often as may be necessary, for the purpose of transacting such business as may be brought before it.

Sec. 5. The Board of Directors shall report to the Association all appointments which it shall make and all revocations of the same; and at each annual meeting it shall make a full report of receipts and expenditures, properly classified, and an exhibit of the financial affairs, property and general condition of the Association. Previous to the annual meeting of the Association it shall assess on each of the outstanding memberships issued by the Association, an amount which, in its judgment, will be sufficient in the aggregate to meet all estimated expenditures of the Association for the ensuing fiscal year, but not to exceed the sum of \$150 on each membership, and shall report the amount assessed upon each member at least one week previous to the annual election; and no member shall be entitled to vote at the annual election unless he shall have paid such assessment. The Board of Directors may likewise, with the assent of two-thirds of the members present at any meeting (the number being not less than ten), from time to time, should exigencies so demand, make a special assessment upon members to meet current expenses, or accumulated debt which the annual assessment has proved insufficient to discharge. Such special assessment shall be payable by members at such time and in such manner as the Board of Directors shall by resolution direct.

Reports to
Association.

Annual and
Special as-
sessments.

Sec. 6. The Board of Directors shall cause to be provided suitable rooms for the purposes of the Association and they shall be kept open for the transaction of business during such hours as the Board may direct. The Board of Directors shall have power to prescribe the purposes for which all offices, rooms, halls, corridors, entrances and other parts of the building of the Association shall be used, and to make all necessary rules and regulations in regard to the use of the same, and shall have power to enforce such rules and regulations by such penalties as it may prescribe. The

Government
of rooms and
buildings.

Board of Directors shall be authorized to grant admission to the Exchange room to messengers for members, solicitors, visitors and other persons, under such restrictions, regulations and limitations as it may deem proper.

Charges
against
members.

Sec. 7 It shall be the duty of the Board of Directors to examine charges against any member of the Association, when made in writing to the President and Secretary, by any other member, and if the party accused shall be found guilty of improper conduct of a personal character in the rooms of the Association; of a violation of any of the rules, by-laws or regulations of the Association; of making or reporting any false or fictitious purchases or sales; of any act of bad faith; of any attempt at extortion; of any act contrary to the spirit which should govern all commercial transactions; or of any other dishonorable or dishonest conduct, he may be censured, fined, suspended or expelled by the Board of Directors, after a hearing had in the manner provided by Section 12 of this rule, as it may determine from the nature and gravity of the offense committed. It shall be deemed an offense against the rules of the Board of Trade for any member to act as a broker or commission merchant, or to buy or sell any grain or other property dealt in on the Board for an agent or employe of any telegraph company, or any employe of any grain firm, or an employe of any members of the Board doing business in the city of Duluth and upon the complaint in writing of a member of this Association, or of an officer or agent of any telegraph company, or of any firm doing business on this exchange, charging such offense against any member of this Association, the Board of Directors shall investigate such complaint, and if the member accused shall be found guilty, he may be censured or fined, and in case of non-payment of the fine imposed, suspended or expelled, as the directors may determine, after a hearing had in the manner prescribed in Section 12 of this rule.

Trading for
employes
prohibited.

It shall be deemed an offense against the rules of

the Duluth Board of Trade for any member of the Association or any person, firm or corporation admitted to the business on the Exchange of this Association to carry on or be in any way interested in the business of a "bucket shop" or to make, negotiate in any form, have, or be in any way interested in any "bucket shop" contract, trade or transaction whatever or any contract of sale of any personal property whatever, for future delivery, with no intent to make an actual sale, or to deliver or receive such property, but with intent to settle or cancel such contract by payment of the difference between the contract and the market price, or to engage in the business of "bucket shopping" or dealing in differences on the fluctuations in the market price without actual purchase and sale for delivery of commodity; or to be knowingly interested in the business of, or associated in business, with, or in any transaction to act as the broker or representative of, or to execute any order for, or in behalf of any person, firm, corporation, or association, now or hereafter engaged exclusively or otherwise, in the business of bucket shopping, or in dealing in differences in the market price of any commodity without a bona fide purchase or sale of such commodity for actual delivery, on the Exchange where such commodity is dealt in, or in making or entering into any trade, contract or transaction in any such commodity, with such person, firm, corporation or association shall contemplate or intend shall be, or may be, closed or terminated when the market price of such commodity shall reach a certain figure; or to use the market quotations furnished by the Duluth Board of Trade except for the purpose of executing orders on the floor of the Exchange or of the Boards of Trade in other cities; or to furnish such market quotations in any manner, either directly or indirectly, to parties doing a commission or brokerage business outside of the Duluth Board of Trade. Upon complaint in writing of a member of this Association or of any person, firm or corporation admitted to do business on its Exchange,

Penalty for
"Bucket
Shopping"

it shall be the duty of the Board of Directors to investigate such complaint, or the Board of Directors may investigate in any case on its own motion, and if the member accused shall be found guilty, he may be censured, fined, suspended or expelled. The procedure to be followed shall be that prescribed in Section 12 of this rule.

Offenses
against good
name and
dignity of
Association

Sec. 8. It shall be the duty of the Board of Directors, in case any grave offense, committed by any member of the Association against the good name or dignity thereof, shall come to its knowledge, either by public rumor or report, to cause a preliminary or informal investigation to be made by a committee of its members, into the truth or falsity of such rumor or report. If such committee, after investigation, shall deem such rumor or report sufficiently well founded, it shall so report to the Board of Directors, with charges; whereupon the person thus implicated shall be notified, in the manner provided in Section twelve (12) of this rule, to appear before the Board of Directors, and, if found guilty, he may be censured, fined, suspended or expelled.

Failure to
comply with
contract or
awards.

Sec. 9. Whenever a written complaint shall be filed with the Secretary of this Association by any member deeming himself aggrieved, charging that any other member of the Association has failed to comply promptly with any contract, either oral or written, which he has entered into in connection with, or by virtue of, his membership in this Association; or that he has neglected or refused to comply promptly with any award of the Board of Arbitration or Board of Appeals of this Association, rendered in substantial conformity to the rules, customs, usages and regulations governing the same; or that he has refused or neglected to submit to arbitration any matter of difference arising in any transaction into which he has entered in connection with, or by virtue of, his membership in this Association, it shall be the duty of the Board of Directors to consider said complaint at any regular, adjourned or special meeting of said board,

Directors
may suspend
or expel.

to attend which the person making the complaint and the accused shall have been given at least six days' notice in writing from the Secretary of the Association in the manner provided by Section 12 of this rule. If the charges contained in the complaint shall be sustained, the member found to be in fault, may be suspended from all privileges of membership until the matter shall have been satisfactorily adjusted, in the judgment of the Board of Directors, or if the gravity of the offense be deemed such as to merit expulsion, the member at fault may be expelled. The procedure to be followed shall be that prescribed in Section 12 of this rule.

Sec. 10. Any corporation, firm or individual not a member of the Duluth Board of Trade, who shall be accused of any proceedings inconsistent with just and equitable principles of trade, or who has failed to comply promptly with any contract either verbal or written, in relation to a transaction had through or with any member of this Association, or who has neglected or refused to comply promptly with the award of any board of arbitration or board of appeals rendered in conformity with the rules or regulations of the Association shall, on complaint, be summoned before the Board of Directors and given an opportunity to be heard. Should the Board of Directors be unable to induce a settlement in proper cases, and if, in the opinion of the directors, the charge or charges against the accused shall be substantiated, the directors may, by a vote of not less than two-thirds of all the members present, prohibit the accused representation on the floor of the exchange; and any member of the Association who shall, with knowledge of such prohibition, or after notice of such prohibition shall have been posted on the bulletin five days, represent, or transact business for or on behalf of such accused upon the exchange, may upon complaint of any member, be fined, suspended or expelled by the Board of Directors upon conviction thereof, after a hearing had, in the manner prescribed by Section 12 of this Rule, and may

Parties in
default not
entitled to
representation.

be reinstated after suspension upon the grounds and in the manner prescribed in Sec. 16 of this Rule.

Penalty for violating membership agreement.

Sec. 11. Any member of the Duluth Board of Trade who shall be accused of having violated, or of having failed to keep, any agreement contained in his application for membership, which is herein stated to have been one of the agreements required by the Board of Directors from him as one of the terms and conditions upon which he should be allowed to become, and remain, a member of the Association, shall be summoned before the Board of Directors, upon complaint of any member and after notice, in the manner provided by Section 12 of this Rule, and given an opportunity to be heard. If, in the opinion of the Board of Directors after such hearing, such member has violated, or has failed to observe, any of the agreements contained in his application for membership, such member may, by a vote of a majority of the Directors present, there being not less than six votes in the affirmative, be expelled from the Association.

Procedure in hearing on charges against members.

Sec. 12. No member shall be censured, suspended, expelled or otherwise punished, except upon charges made as in this rule provided, except as provided in Section 2 of Rule II, and after a hearing before the Board of Directors, of which the accused members shall have had notice and an opportunity to be heard, as in these rules provided.

All charges made to the Board of Directors against any member of the Association for any default, misconduct or offense, shall be in writing and in duplicate, and shall state the default, misconduct or offense.

There shall be a hearing and determination of such charge at some regular, adjourned or special meeting of the Board of Directors. Notice of the time and place of such hearing, together with a copy of such charges, shall be served at least six days prior to said

hearing, upon the accused member, or, if the charges apply to a firm, or corporation, upon some member of said firm or officer of said corporation, as the case may be.

Such service may be made, within the State of Minnesota or elsewhere, either by delivering the same personally, or by leaving at the house of usual abode with some person of suitable age and discretion then resident therein. If, at the time such charges are filed, any member upon the Duluth Board of Trade is the recognized representative upon said Board of any such accused person, firm or corporation, it shall be sufficient if service of such papers is made, in the manner herein required, upon such representative. If any such accused person, firm or corporation has no regular place of business in Duluth, and no recognized representative upon said Board, the time of service shall be fifteen days, instead of six days, as to such person, firm or corporation.

At the time and place set for said hearing, or to which adjournment may then be taken by the Board of Directors, if said Board shall determine that notice has been given to such accused person, firm or corporation in the manner required by the rules, it shall proceed with said examination, whether the accused be present or not. A majority of a quorum sitting at a regular, special or adjourned meeting of the Board of Directors shall be sufficient to censure or fine; but to suspend or expel a member of the Association it shall require an affirmative vote of two-thirds of the members present, except when less than nine members are present, in which case it shall require at least six affirmative votes to suspend or expel.

Sec. 13. In any investigation or trial before the Board of Directors, or before any other duly constituted committee or other tribunal of the Association,

Penalty for refusal to testify.

if any member who shall have had notice, from the Secretary, in writing, to appear and testify in the case; or, if any member who shall have been cited by the Chairman of any duly constituted committee or other tribunal of the Association to appear and testify, shall neglect or refuse to so appear; or if, testifying, shall refuse to answer any question which may, by the majority vote of the said Board of Directors, committee, or other tribunal be declared proper and pertinent to the case in hearing, he shall be subject to suspension, in the manner provided by Section 12 of this rule, by the Board of Directors, from all privileges of the Association, for such period as the said board may determine; which may be done by said Board in case of contempt of a witness before said Board of Directors, or on the report, in writing, of any such committee or other tribunal, in case the contempt shall occur before such committee or other tribunal of the Association. It is hereby provided that no witness shall be compelled to answer any question which shall criminate himself, nor shall any testimony be admitted which, in the opinion of the committee or other tribunal is irrelevant to the case in hearing.

To report
suspensions
and ex-
pulsions.

Sec. 14. In case of the suspension or expulsion of any member of the Association by the Board of Directors, the effect of such suspension or expulsion shall be promptly reported to the Association; and also the restoration to the privilege of membership of any member readmitted, who had been under sentence of suspension. Upon the suspension or expulsion of a member, notice thereof shall be communicated to him by the Secretary, who shall also enter opposite the name of such member in a list kept for that purpose, the word "suspended" or "expelled" as the case may be.

Suspended
members not
allowed to
trade.

Sec. 15. Any member suspended by the Board of Directors shall not be allowed to trade upon the floor of the exchange, either personally or through a broker

or employe. Any member of the Association trading or offering to trade either as a broker or employe in the name of a suspended member shall be considered as having violated a rule of the Association, and shall be liable to discipline therefor, as in these rules provided.

Sec. 16. A suspended member may be reinstated by a majority vote of a quorum of the Board of Directors, there being not less than six votes in favor of such reinstatement; and such reinstatement may be made to depend upon such conditions to be observed and performed by the suspended member as the Board of Directors, by a vote as aforesaid, may see fit to prescribe. Notice of all applications for relief from suspension under the provisions of this section shall be posted upon the bulletin of the exchange for at least one week prior to the hearing of any such application by the Board of Directors; when, if no further just claims shall be filed against said applicant, he may be so reinstated.

Reinstatement
of suspended
members.

Sec. 17. An expelled member of the Association, or a member who may have forfeited his membership while under suspension, shall not be readmitted, except as a new member, and then only after an affirmative vote of at least two-thirds of the members of the Board of Directors.

Expelled
members—
How re-
admitted.

Sec. 18. In investigations before the Board of Directors or before any other board or committee of the Association, no party shall be allowed to be represented by professional counsel.

Professional
counsel not
allowed.

Sec. 19. It shall be the duty of the Board of Directors, upon the nomination of the President, to appoint such standing committees from their own number as they may deem necessary. All such committees, however, shall be fully under the control of the said

Standing
Committees

Board of Directors. The said Board of Directors shall in like manner appoint all delegates to all deliberative gatherings in which the Association may be entitled to a voice, and in which it may desire a representation, and such delegates and representatives may be appointed wholly or in part from members of the Association other than members of the Board of Directors.

Sec. 20. The Board of Directors, and any committee appointed by it, may adopt such rules and regulations for their own government (not contrary to the rules and by-laws of the Association) as will best promote the objects for which they were elected or appointed. The Board of Directors may, in its discretion, provide such legal aid and advice as it may deem necessary to assist it or any of the committees in the discharge of their duties.

Temporary
officers.

Sec. 21. In case of absence or disability of the president and vice-president, it shall be the duty of the Board of Directors to elect from their number a temporary chairman who, in addition to his duties as chairman of the Board of Directors, shall also temporarily perform all other duties devolving upon the president.

Directors
may call
meeting of
Association.

Sec. 22. The Board of Directors shall have power to call special meetings of the Association upon such notice and for such purposes as it may deem proper; all calls for special meetings of the Association shall state the specific object of such meetings, and no other business than that for which a special meeting was called shall be considered at any such meeting, except by unanimous consent.

Forfeiture of
office of
director.

Sec. 23. In case any member of that body shall absent himself from six consecutive regular meetings of the Board of Directors, without having been previously excused, or without communicating to the President, in writing, a good and sufficient excuse for his absence, or a resignation of his office, the Board of Directors shall have power to declare the office of said director vacant, and to immediately order a special

election by the Association to fill said vacancy.

Sec. 24. Special meetings of the Board of Directors may be convened by order of the president, or upon the written request of any three members of the said Board, addressed to the Secretary. Such meetings may be called by public notice announced on 'change, or by personal or written notice by the Secretary upon the members of said Board. A written notice, left at the usual place of business of any member of said Board of Directors, shall be sufficient notice in case of meeting called by service of personal or written notice.

Directors
may request
meeting of
Board.

Sec. 25. The Board of Directors shall have power to make regulations governing the employment by members of the Association of traveling representatives or solicitors of orders for the purchase and sale of property upon the Exchange of this Association. No person, firm or corporation enjoying the privileges of membership in this Association shall employ any person as such traveling representative or solicitor until such person shall have been approved by the Board of Directors, nor continue such employment after having been directed by the Board of Directors to discontinue it. It shall be the duty of the Board of Directors to investigate any complaint of a violation of this rule, and if the member accused shall be found guilty, he may be censured or fined, suspended or expelled, after a hearing had in the manner prescribed in Section 12 of this rule.

May license
traveling
solicitors.

Sec. 26. The Board of Directors shall have power to establish a Credit Clearing Department to be conducted under the control of the Board of Directors, for the acquirement and dissemination of business information among the members of the Association, and to secure to the members the benefit of co-operation in the furtherance of their legitimate pursuits, and to make regulations for its government and operation. Every person, firm or corporation enjoying the privileges of membership in the Association shall report

Credit Clear-
ing Depart-
ment.

Section 28 of Rule IV

SEC. 28. The Board of Directors shall have power, from time to time, to make such regulations as it may deem necessary to secure conformity by the Association and the members of the Association with any law of the United States or the State of Minnesota, heretofore or hereafter passed, or with any rule, regulation or code adopted under authority of any law of the United States or State of Minnesota; and to enable the Association to fulfill any conditions and obligations imposed upon it, or upon its members, by any such law or laws. Any rule or regulation of the Association or any part of any rule or regulation, which conflicts with any valid law of the United States or of the State of Minnesota, heretofore or hereafter passed, shall be and become void. It shall be the duty of the Board of Directors to investigate any complaint of a violation of this rule, or of any of the regulations of the Board of Directors made under the power granted in this rule, and if the member accused shall be found guilty he may be censured or fined, suspended or expelled, after charges made and a hearing and determination thereon by the Board of Directors in the manner prescribed in Sec. 12 of this Rule.

to the Credit Clearing Department the name of every person, firm or corporation, not a member of this Association, or of any other grain exchange, for whom any transaction in grain or flaxseed, either for immediate or future delivery, is made, or to whom credit is extended for the purpose of carrying on grain business. It shall be the duty of the Board of Directors to investigate any complaint of a violation of this rule, and if the member accused shall be found guilty, he may be censured or fined, suspended or expelled, after charges made and a hearing and determination thereon by the Board of Directors in the manner prescribed in Section 12 of this rule.

Financial statement required.

Sec. 27. Every person, firm or corporation, enjoying the privileges of membership in the Association, and who engages in dealing in grain, shall, on or before the first day of September in each year, submit to the Board of Directors, for the information of said Board, a statement of the financial condition of said person, firm or corporation, at the close of his, or its, fiscal year last preceding said first day of September.

Power to make Regulations Required by law.

Sec. 28. The Board of Directors shall have power, from time to time, to make such regulations as it may deem necessary to secure conformity by the Association and the members of the Association with any law of the United States or the State of Minnesota, heretofore or hereafter passed, and to enable the Association to fulfill any conditions and obligations imposed upon it, or upon its members, by any such law or laws. Any rule or regulation of the Association or any part of any rule or regulation, which conflicts with any valid law of the United States or of the State of Minnesota, heretofore or hereafter passed, shall be and become void. It shall be the duty of the Board of Directors to investigate any complaint of a violation of this rule, or of any of the regulations of the Board of Directors made under the power granted in this rule, and if the member accused shall be found guilty he may be censured or fined, suspended or

expelled, after charges made and a hearing and determination thereon by the Board of Directors in the manner prescribed in Sec. 12 of this rule.

RULE V

Duties of the Secretary and Treasurer

Section 1. The Secretary, under the direction of the Board of Directors, shall keep a fair and regular journal of the proceedings of the Association; take charge of the seal, books, papers and property belonging to the Association; shall see that the rooms and property of the Association are kept in good order, and shall keep the offices of the Secretary open during the usual business hours. He shall keep a correct account of all receipts at and shipments from Duluth and Superior of all commodities in which the Association is actively interested and post on 'change daily such statistical information relating to same as may be of interest to the members of this Association. At the close of each year, or as soon thereafter as practicable, it shall be his duty to prepare a full report of the trade and commerce of the city for the year preceding, with such other information as may be in his possession, that may be of interest to the members.

To keep records and care for Association property.

Annual report.

Sec. 2. He shall furnish the chairman of each committee a copy of the resolution whereby the committee was appointed, and, under the direction of the President, shall give notice of meetings, conduct the correspondence of the Association, and read such records or papers as he may direct; shall himself, or by his substitute attend meetings of the Board of Arbitration or Appeals and of the Board of Directors, and keep an official record of their proceedings; give notice when their services are required; issue the necessary notices and papers to parties and witnesses, and render copies of the verdicts to parties in all cases tried by said boards or committees.

General Duties.

The Treasurer shall collect all moneys due to the Association for assessments, fines, fees or otherwise;

Treasurer's duties.

and shall receive and keep a correct account of all moneys belonging to the Association, and shall disburse the same on the order of the Board of Directors, countersigned by the President. He shall make a quarterly report to the Board of Directors on the third Tuesday in April, July, October and January, and a full report to the Association at the annual meeting on the third Tuesday in January of each year.

RULE VI

Committees

Special
Committee.

Section 1. Special committees may be appointed by the Association, by the President or by the Board of Directors, to such services and in such manner as they may see fit; and it shall be the duty of every committee appointed by the Association, the President or the Board of Directors, to act when properly called upon.

RULE VII

Disqualification in Trial Cases

Section 1. In the hearing or trial of any case or controversy before the Board of Directors, or before any committee of the Association, no director and no member of any such committee shall serve or act in such hearing or trial, who has any financial interest or concern in the result of such hearing or trial, or who shall be a business partner of any party thus interested.

RULE VIII

Arbitration

Duties de-
fined.

Section 1. The duty of the Board of Arbitration shall be to investigate and decide all disputes and differences submitted to it, arising out of any transaction upon the Board, or in the Exchange room, of this Association; or out of any transactions entered into between members of this Association by virtue of their membership therein; or out of any transaction

between a member of this Association entered into by virtue of his membership, and a non-member of the Association, when such non-member consents, in writing, to the jurisdiction of the Board. Such Board shall decide any such dispute or difference submitted to it in accordance with the facts disclosed by the evidence, and pursuant to the rules, usages and customs of the Board of Trade. The statements of the principals and witnesses in each case shall be made under oath.

Sec. 2. Any party desiring to submit a matter in controversy to the Board of Arbitration shall file a complaint in writing with the Secretary, the commencement or introductory part of which shall be substantially as follows:

Board of Trade of Duluth.

To the Board of Arbitration of the Board of Trade of the City of Duluth:

.....(Name of party complainant) make and file with the Secretary this complaint against.....(Name of the party complained against) in accordance with the charter and rules of said Board, and with a view to an arbitration thereunder. And for cause of complaint say:

That the complaint ha.....a matter of difference with the said.....growing out of a transaction, the facts and particulars relating to which are as follows:

Form of
complaint.

It shall then set forth in plain language the substance and particulars of the complainant's demand, and shall be signed by the complainant, or by one of them. Upon the filing of such complaint, the Secretary, or some person authorized by him, shall forthwith serve a copy of said complaint, together with a notice, signed by the Secretary, which shall be substantially as follows:

To.....(Name of party complained against).

You will please take notice that you are required by the Rules of this Association, to file a copy of your answer to the complaint hereto attached and herewith served upon you, with the Secretary of this Association, within six business days after the service of the said complaint upon you, exclusive of the day of such service; and if you fail to file your answer to the said complaint within the time aforesaid, you will be deemed to have refused to join in arbitration and to be subject to the penalty provided therefore by the rules of the Association.

Dated.....

Signed.....

Secretary of the Duluth Board of Trade.
upon the adverse parties within the State of Minnesota, or elsewhere, either by delivering the same personally, or by leaving the same at the house of usual abode of said adverse party, or parties, with some person of suitable age and discretion then residing therein. The party, or parties, complained against shall be allowed six business days after service, within which to appear and file with the Secretary his answer to said complaint. If any such party shall fail to file his answer with the Secretary, within said time, he shall be deemed to have refused to join in arbitration, and to have incurred the penalties in these Rules provided for such refusal; provided, that said Board of Arbitration may, if in its judgement reasonable cause shall be shown, relieve a party of such default, and permit such answer to be filed, on such terms as it shall deem just, at any time before final action has been taken by the Board of Directors upon any complaint against said party, based upon such refusal to join in arbitration. The Secretary shall endorse the date and hour of filing in his office upon all papers filed with him, and shall make and file forthwith a certificate showing the date of and all other facts as to the service of, all papers served by him under these Rules; such endorsements and certificates shall be prima facie evidence as to all such facts therein contained. In case of service of any

Service by
Secretary.

Failure to
answer.

paper by any person other than the Secretary, an affidavit of the date and facts of such service shall be made and filed with the Secretary, and shall be prima facie evidence of all such facts therein contained.

If the party or parties complained against shall appear and desire to make defense, he or they shall answer in writing, to be signed by him, or one of them, the commencement or introductory part whereof shall be as follows:

Form of
answer.

Board of Trade of Duluth.

To the Board of Arbitration of the Board of Trade of Duluth.

In the matter of difference between

..... (Name) as complainant,
against

..... (Name) as respondent.

The above named respondent, hereby submitting to the jurisdiction of said Board, and hereby voluntarily submitting said matter of difference to the arbitration of said Board, for answer to the complaint, say:

The answer shall then set forth in plain language, the substance and particulars of the matter of defense.

In said answer there may be set up also, in the form herein provided for a complaint, any other matters of differences, proper to be considered by the Board and adjusted as between the parties to said arbitration.

Sec. 3. Any party to such arbitration may appeal from the decision of the Board of Arbitration to the Board of Appeals, by filing with the Secretary a notice of appeal, at any time within three business days after service upon him of the notice that said award has been filed with the Secretary. In such case the Secretary shall forthwith notify the adverse party of such appeal. If notice of appeal is not given as herein provided, the award of the Board of Arbitration shall be final and conclusive upon the parties.

Appeal from
award of
Board of
Arbitration.

Sec. 4. It shall be the duty of the Board of Appeals to review such cases as may be appealed from the Board of Arbitration and formally brought before it;

Duties of
Board of
Appeals.

and its decision shall be final and binding upon the parties. Said Board, if application therefore is made in writing and filed with the Secretary, within three business days after service of the notice that said award has been filed with the Secretary, before proceeding to hear and decide said controversy, shall receive under oath such evidence, relevant to the issues, not produced before said Board of Arbitration, or which was there offered and improperly excluded, as may be offered for the purpose of obtaining a rehearing before said Board of Arbitration, and if, in its judgment, such evidence could not have been produced before the Board of Arbitration by the use of reasonable diligence, and such evidence will justify a rehearing of the case by the Board of Arbitration, it shall remand the case to the said Board of Arbitration for a new trial. Any final award or finding of the Board of Appeals shall be based on the record of the Board of Arbitration and shall be rendered in the same manner as the awards of the Board of Arbitration.

Sec. 5. All hearings by the Board of Arbitration and Board of Appeals shall be before the full Board, and a majority decision of the Board of Arbitration or Board of Appeals shall be binding.

Stenographer. Sec. 6. In all cases before the Board of Arbitration, or Board of Appeals, upon the request of either party of the Secretary, or by order of the chairman of the Board, the testimony and proceedings shall be reported by a stenographer, the cost of which shall be assessed by the Board as in cases of other costs incurred. Provided, in case of objection of either party to the employment of such stenographer, the question of such employment shall be left to the chairman of such Board, but in all cases a statement of the testimony of each witness shall be made by or under the direction of the chairman, and filed with the Secretary.

Filing of
award and
service of
same.

Sec. 7. The Board of Arbitration and the Board of Appeals shall file their awards with the Secretary,

signed by them, as soon as the same have been made. Within three business days, or as soon as possible thereafter, there shall be served upon each party to said arbitration, in the manner herein provided for service of the complaint, a notice of the filing of said award, signed by the President, or Vice-President, and Secretary of the Association, and with its official seal affixed. The official record of the decisions of these Boards may be inspected by any member of the Association upon application to the Secretary.

The decisions of said Boards need not be in any particular form, but shall be conclusively presumed to include and determine all matters submitted by the parties, unless the contrary shall affirmatively appear upon the face of such decisions.

All decisions of the Board of Arbitration and the Board of Appeals, except when for any reason all the matters submitted to such Board are not determined by it, shall begin in substantially the following form, after the title of the controversy in which the decision is made, to-wit:

Form of
awards.

The Board of Arbitration (or the Board of Appeals, as the case may be) of the Duluth Board of Trade, after due consideration of the matters submitted to it in the controversy above entitled, does hereby make its decisions and award in respect of each and all of said matters, whether hereinafter specially referred to, or not, as follows:

Sec. 8. When from absence or disqualification by reason of interest in the subject matter or otherwise, of regular members, either the Board of Arbitration or Appeals cannot be formed, the contending parties shall be allowed to fill vacancies with any member or members of the Association willing to serve (not being of the other board) on whom they may agree. In case no such agreement to fill a vacancy shall be made in writing by the parties, and filed with the Secretary within three business days after the filing of the answer in such controversy, it shall be the duty of the President of the Association, upon request of any party,

Vacancy in
Boards—How
filled.

forthwith to fill such vacancy, for the hearing of said controversy only, by appointing, in writing to be filed with the Secretary, some disinterested member of the Association who is willing to serve thereon. If the parties in dispute are unwilling to submit their case to the Board of Arbitration, they may choose three members (willing to serve and not being of the Board of Appeals), whom they may agree upon, such agreement, in either case, to be communicated to the Secretary, in writing, signed by all the parties in controversy. Boards so formed shall be governed by the same rules, and their decisions shall have the same effect as if decided upon by the regularly elected boards. All hearings before the Board of Arbitration and the Board of Appeals shall take place at such times as shall be fixed by said Board, of which notice shall be given in writing to each party, in the manner herein provided for service of the complaint, not less than three hours before the time fixed for said hearing.

Service on
corporation.

In all cases where a corporation is a party to any controversy under this rule, service of the complaint and of all other papers, may be made by delivery thereof, in Minnesota or elsewhere, to any officer of said corporation, or to any member of the Board who is the recognized representative of said corporation upon the Board, or by leaving the same at his house of usual abode with some person of suitable age and discretion then resident therein; and in all cases where a partnership is one of said parties, sufficient service shall be made upon such partnership by serving such complaint, or other paper, in the manner herein provided, upon any of said partners, or upon any member of the Board who is the recognized representative of said partnership upon the Board.

Form of oath

Sec. 9. The Secretary, or any person authorized by law so to do, shall administer to the members of any Board of Arbitration or Board of Appeals, the following form of oath:

You and each of you do solemnly swear that in the hearing and determination of the matter of difference submitted to you by.....
as complainant and.....
.....as respondent, you will well, truly and faithfully perform your duty as arbitrators, and an honest and conscientious award make between the parties; so help you God.

The acting chairman of either board (who shall be the one then present whose name appears first on the list) shall have power to administer oaths and affirmations to the parties and witnesses, and issue notices or citations requiring the attendance of witnesses, or the production of books or papers; or any party to an arbitration may apply to the clerk of any court of record for a subpoena for the attendance of any witness or witnesses and the production of papers before either of said Boards, as provided by the laws of the State of Minnesota.

The following shall be the form of oath administered to witnesses:

Oath to
witnesses.

You do solemnly swear that the evidence which you shall give in the matter of difference between....
.....as complainant and
.....as respondent,
now on hearing shall be the truth, the whole truth and nothing but the truth, so help you God; and this under the pains and penalties of perjury.

Sec. 10. Members of the Board of Arbitration or Board of Appeals failing to attend when their services are required, may be fined for the benefit of the Association, for its use, three dollars for each default, unless a satisfactory excuse be made.

Failure to
attend meet-
ings.

Sec. 11. The fees for arbitration under these rules shall be as follows:

Arbitration
fees.

For each case involving less than \$500.....	\$10.00
For each case involving \$500 and upward, and less than \$1,000.....	15.00
For each case involving \$1,000 and upward, and less than \$1,500.....	20.00

For each case involving \$1,500 or upward, and less than \$2,500.....	25.00
For each case involving \$2,500 or upward....	50.00

The fees for controversies taken to the Board of Appeals shall be as follows:

For each case involving less than \$500.....	\$15.00
For each case involving \$500 and upward, and less than \$1,000.....	25.00
For each case involving \$1,000 or upward, and less than \$1,500.....	30.00
For each case involving \$1,500 or upward, and less than \$2,500.....	40.00
For each case involving \$2,500 or upward....	75.00

When none of the parties to the controversy is a member of the Association the above fees shall be doubled.

The fees, as above, shall be paid to the Secretary for the benefit of the members sitting as arbitrators, or members of the Board of Appeals, and in addition, the Secretary shall be entitled to three dollars for each case submitted. In all cases submitted to either Board, the fees of the Board and Secretary shall be deposited with the Secretary by the plaintiff before the case shall be entertained.

Fees in cases
postponed.

Sec. 12. If parties in a controversy fail to appear at the time set for trial, or request a postponement, they may (if the case be postponed) be fined, by and for the benefit of the Board, any sum, at its option, not exceeding one-half the regular fees in the case. The Board, however, may insist that the trial shall take place.

Fees doubled
for non-
members

Sec. 13. The above fees and all additional costs that may be found by the Board to have been incurred in the investigation of suits, shall be paid by either of the parties in the case, as may be decided by the Board hearing the same, and shall be included in its award. On parties agreeing to submission, or taking an appeal, the fees of the Secretary shall be paid, and may be retained, though the case should not come to trial.

Sec. 14. In cases arising out of any disagreement as to the amount of margins as security for the fulfillment of time contracts, the Board of Arbitration or the Board of Appeals (if an appeal be taken), shall immediately be convened, upon the verbal or written notification to the Secretary of either of the parties interested, and shall proceed to decide the question submitted, without delay or adjournment, unless by mutual consent of the parties; and in case of an appeal from the decision of the Board of Arbitration in any case arising out of any such disagreement as heretofore mentioned, the party or parties so appealing shall notify the Secretary to that effect within 30 minutes after receiving the announcement of the Decision of the Board of Arbitration. The decision of the Board of Arbitration, unless an appeal be taken therefrom, shall be conclusive upon the parties, and shall be complied with within thirty (30) minutes after the announcement thereof; and if an appeal be taken the decision of the Board of Appeals shall be conclusive on the parties, and shall be complied with within thirty (30) minutes after the announcement thereof.

Disagree-
ments as to
margins.

Sec. 15. When a final award is made by the Board of Arbitration or Board of Appeals—except in cases arising under Section 14—any party against whom award is rendered shall pay to the Secretary of the Association the amount of such award, or shall otherwise perform such award within ten (10) days after written notice of decision of the Board or Boards has been served upon him. In case of failure to make such payment, or otherwise to perform such award, within the time specified, the party in whose favor such award has been made may apply to the Secretary of the Association, who shall thereupon deliver to him a certified transcript of such award or judgment to be filed with the Clerk of the District Court of the County of St. Louis, State of Minnesota, in accordance with the provisions of Section 2 of Chapter 138 of the laws of the State of Minnesota for 1883, entitled "An act to authorize the incorporation of persons as a chamber

Recovery
after award
is made.

of commerce or a board of trade; and to legalize corporations already organized under existing or amended laws," and amendments thereto; or said party may file his written complaint with the directors, as provided in Section 9 or Rule IV; or he may do both, at his pleasure.

RULE IX

Membership

Sale of memberships by board.

Section 1. The Board of Directors, upon request therefor, shall sell and issue one or more original memberships in this Association, at the price of seven thousand five hundred (\$7,500) dollars each, to any person who is then a duly elected member of this Association, in good standing.

Membership—How obtained.

Sec. 2. The Board of Directors shall be a committee on membership, whose duty it shall be to examine all applications for memberships, and any person of good character and credit and of legal age, on presenting a written application, indorsed by two members of the Association, and stating the name, residence and business vocation of the applicant, and a majority of the Board being satisfied that said applicant should be admitted as a member the name of said applicant shall be posted on the bulletin of the exchange ten days prior to being balloted for. The Board of Directors shall have power to require any applicant for membership, as a part of his application, to enter into any agreement as to the terms or conditions upon which such applicant shall be allowed to become, and remain, a member of the Association, which the Board of Directors may deem necessary for the protection of this Association or of its members. And every applicant elected hereafter as a member of this Association, whose application contains any such agreement, shall take, and retain, his membership in this Association, subject to, and conditional on, the strict performance by him of the agreement in such application contained. Every proposed member shall be voted for by ballot at a meeting of the Association

at which not less than fifteen (15) members shall be present and vote and if not more than twenty-five (25) per cent of the total number of ballots cast appear against him, he shall be declared elected, and on presentation of a certificate of membership unimpaired, unforfeited, and against which there are no unpaid assessments and no outstanding or unsettled claims, contracts, or liens in favor of any member of the Association, and duly transferred, and by signing an agreement to abide by the rules, regulations and by-laws of the Association, and all amendments that may be made thereto, he shall become a member of the Duluth Board of Trade.

Sec. 3. Every member shall be entitled to receive a certificate of membership, bearing the corporation seal of the Association, and the signatures of the President and Secretary, and if the member in whose name the certificate stands has paid all assessments due, and has against him no outstanding, unadjusted or unsettled claims or contracts held by members of the Association, and said membership is not in any way impaired or forfeited, it shall upon the payment of twenty-five (\$25) dollars, which shall be placed to the credit of the Association, be transferable upon the books of the Association to any person eligible to membership who has been or may be duly elected a member by the Association. The membership of a deceased member shall be transferable in like manner by his legal representative.

Transfer of membership. Post

Prior to the transfer of any membership, application for such transfer shall be posted upon the bulletin of the exchange for at least ten days, when, if no objection be made, it may be assumed the member has no outstanding claims against him. The notice of application for transfer shall state the name of the person to whom it is proposed to be made.

Application for 10 days.

If any member of the Association shall desire to purchase a membership from another member, the procedure to be followed and the requirements and restrictions governing shall be the same, so far as

applicable, as in the case of transfer of memberships to non-members, but in such case a transfer fee of ten (\$10) dollars will be required.

Objection to
transfer of
membership.

Sec. 4. Except as otherwise provided in Section 10 hereof, any member may object to the transfer of a membership if the record holder thereof is indebted, or otherwise obligated to him upon any transaction or any unsettled contract, claim or demand arising under the rules, or entered into by virtue of or in connection with membership therein; or if such objecting member has any claim to or lien upon the membership proposed to be transferred. Objections to the transfer must be in writing, signed by the party objecting, and filed with the Secretary, who shall serve a copy of the objections upon the applicant for transfer. The Board of Directors shall, upon hearing the parties, determine the sufficiency of such objections. In case any membership shall be transferred in violation of any of the foregoing provisions, such transfer shall be null and void.

After the transfer of a membership, no subsequent objection, complaint or demand by a member of the Association against the former holder thereof shall impair such membership in the hands of an innocent transferee; provided, that every membership shall be subject to liens thereon, if any, and to the rights of lien claimants, under any law of the State of Minnesota, for any debt, claim or obligation of the owner or record holder thereof, and for any debt, claim or obligation of any previous owner or record holder of any membership issued by the Duluth Board of Trade, through or from which ownership of this membership has been obtained by mesne transfers.

The record holder of a membership, under this section, shall be deemed to be the person in whose name the same stands on the books of the Association (except in case of debts contracted on his own account by a person in whose name a membership stands, which has been registered with the Secretary, under Sec. 10 hereof, as being the property of another

person, firm or corporation); the person, firm or corporation recorded by the Secretary as having paid the purchase price thereof, in accordance with Sec. 10 of this rule; and the person, firm, or corporation paying the purchase price of a membership that is issued in the name of an individual who, in his application for membership, states the fact of such payment of the purchase price.

Sec. 5. Nothing in this rule shall prevent any member in good standing from holding more than one certificate of membership in his own name, providing, that no member, by reason of owning such additional certificates, shall be entitled to more than one vote at any election or upon any question coming before the Board.

Only one vote
allowed.

Sec. 6. No resignation of membership shall take effect while charges against the member desirous of resigning shall be pending before the Board of Directors, or the Association, or while he may be a party to any unsettled suit before the Board of Arbitration or Appeals.

Resignation
not effective
while charges
are pending.

Sec. 7. No person under sentence of suspension or expulsion by any other similar commercial body shall be eligible to membership in this Board of Trade, and if any person be balloted for and declared elected, under such circumstances, such election shall be void.

Ineligible
persons.

Sec. 8. Any member who shall be incapacitated for attending to his business in consequence of illness, or who shall be temporarily absent from the city, may, on approval of the committee on membership, be represented on the floor of the exchange, during the term of such illness, or of such temporary absence from the city, by some one person, and for whose acts he shall also state in writing that he will be responsible; such substitute shall receive a ticket for a period not exceeding thirty days, which ticket may be renewed by the membership committee at its discretion. As soon as the member returns to transact business on the exchange, his substitute's ticket shall then terminate

Substitutes
allowed.

and be taken up by the Secretary.

Firm or corporation membership.

Sec. 9. Any business firm, one at least of whose members shall be a member in good standing of the Duluth Board of Trade, and any business corporation, one or more of whose principal executive officers shall be a member in good standing of the Duluth Board of Trade, may submit to the Board of Directors a full disclosure of the relations of such member to such firm or corporation; and if the Board of Directors shall, upon investigation, find that such member is a real, bona fide and substantial stockholder and executive officer of such corporation, or member of said firm, as the case may be, and that such relation is not created for the purpose of obtaining the privileges upon said Board herein authorized to be conferred, said Board of Directors, may, by resolution, recognize such firm or corporation, as a member in good standing on the Duluth Board of Trade, in respect to, and for the purpose of, all trades, contracts or transactions made in its behalf on the floor of the Exchange, and for the purpose of objecting to the transfer of any membership on the Duluth Board of Trade, as permitted by the rules, and entitled to members' right; provided that such firm or corporation, as a condition precedent to obtaining such privileges, shall first have signed and filed with the Secretary of this Board, an agreement with the Duluth Board of Trade faithfully to observe and to be obligated by all the rules, regulations, usages and customs, then in force or thereafter adopted, governing the members of said Board of Trade, and regulating all dealings and business transactions between such members, and agreeing that it shall be subject to all the restrictions, duties, liabilities, penalties and conditions of members of the Duluth Board of Trade, as respects the transaction of business between members of the Association; and provided further, that no such firm or corporation shall be permitted to transact any business upon said Board by virtue of its membership therein, except by and through its duly authorized agent, who shall be a member in good standing of the

Duluth Board of Trade, and that under this rule, not more than one corporation, or firm, shall be represented by the same member of this Association.

Whenever the Board of Directors shall so request, every such firm, or corporation, shall make a full disclosure of the then existing relations between such firm, or corporation, and the member of the Duluth Board of Trade by virtue of whose relation to such firm or corporation such rights and privileges were obtained, and if such full disclosure be not made to the satisfaction of the Board of Directors, within such time as it shall fix, the Board of Directors may forthwith deprive such firm or corporation of the privileges so conferred.

No member shall be deemed the representative of two corporations, two firms, or a firm and a corporation, for the purpose of giving either firm or corporation members' privileges under these rules.

The rights and privileges in this section granted shall continue for such period of time only, in any event, as the member of said Board of Trade, by virtue of whose relation to said firm or corporation such rights and privilege were applied for, shall remain a member in good standing of said Duluth Board of Trade, and a real, bona fide, and substantial stockholder and executive officer of said corporation, or member of said firm, as the case may be; and, the Board of Directors shall have the right, at any time, whenever it shall deem it advisable so to do, to rescind any resolution so recognizing any such firm or corporation as a member of said Board, and permitting it to do business upon the Exchange. Whenever the rights and privileges so conferred upon any such firm or corporation shall terminate, for any of the reasons in these rules provided, such firm or corporation shall cease thereafter to be deemed a member of the Board of Trade, or entitled to the privileges or advantages of membership for any purpose whatsoever, except that such firm or corporation, and the member of said Board by virtue of whose relations to it such privileges

Rights continue only while member through whom obtained is member in good standing.

were obtained shall continue to be liable as in these rules hereinafter stated, for the performance of all unfilled contracts, claims and demands, and for the carrying out of all transactions entered into upon said Board, or by virtue of its membership therein, in the same manner as if it were still a member of said Board.

Firm and corporation members subject to same penalties as individual members.

If any such firm or corporation, so permitted to enjoy the rights and privileges in this section conferred, shall fail or refuse to comply promptly with any contract either verbal or written, or fail or refuse to submit any matter of difference to arbitration, or fail or refuse to comply promptly with the award of any Board of Arbitration, or Board of Appeals, rendered in conformity with the rules and regulations of the Association, or shall fail, neglect or refuse to perform any other duty or obligation required of members of this Association under these rules, complaint may be made in writing against said firm or corporation, and the same proceedings had, and penalties imposed, as against any member of the Association; and in addition thereto, complaint may be made in writing as to any of such failures, defaults, neglects or refusals of such firm or corporation, against the member of the Duluth Board of Trade, by virtue of whose relation to such firm or corporation its rights and privileges upon said Board have been conferred, and he shall be liable for the performance of all the duties, contracts, debts and transactions of such firm or corporation, made upon said Board, or by virtue of its membership therein, in the same manner as if they were his own acts, contracts, debts or transactions; and, in the event that such member of the Duluth Board of Trade, who is so liable for the acts, contracts, debts and transactions of such firm or corporation, shall fail promptly to perform, or to cause the said firm or corporation so represented by him to perform, any such acts, contracts, debts or transactions and duties, within the period of five days after notice to him, to be served in the manner herein required for the service of a complaint in arbitration, complaint may be made

against such members and filed with the Secretary by any member of this Association, and proceedings shall be had and punishment imposed, in the manner provided by Section 9 of Rule IV of this Association, as for any other violation of the rules, regulations and by-laws of this Association.

Sec. 10. If any member of the Duluth Board of Trade, or any firm or corporation entitled to the rights and privileges of members under Section 9 of this rule, has or shall have an officer, co-partner or employe to whom a certificate of membership has been or shall be issued, the purchase price of which membership is paid by such member, firm or corporation, the Secretary of the Association, upon request of said member, firm or corporation, shall make a record of the fact as to the payment of the purchase price of said membership in his office. The record holders of memberships covered by this section shall have no right to transfer or assign said memberships without the written consent of said member, firm or corporation having first been filed with the Secretary; and upon the making of the record in the Secretary's office as above provided, memberships covered by this section shall not be subject to any lien arising out of any claim or demand against the individual person to whom said membership is issued, resulting from any transaction made by such individual for his personal account, but such membership shall be liable, and subject to a lien, for all debts, claims and contracts made by said member, firm or corporation, or on his or its behalf by said record holder, in the same manner as other memberships.

Memberships purchased by firms or corporations may be recorded.

Sec. 11. When the annual assessment is made it shall be considered due; and any member neglecting or refusing to pay the same within thirty (30) days thereafter shall be excluded from the rooms of the Association until such assessment shall have been paid. If any member of the Association shall fail to pay the annual assessment made by the Board of Directors,

Sale of membership for delinquent assessment.

within one year after the regular annual election next following the making of such assessment, or shall fail to pay any special assessment within the time specified in the resolution of the Board of Directors levying the same, it shall be the duty of the Secretary of the Association to serve, or cause to be served, upon said member, or, in the event of his death, upon his heirs, executors or administrators, in the manner in these rules provided for the service of a complaint in arbitration, at least ten days prior to the meeting of the Board of Directors at which he is therein required to appear, a notice, addressed to said member, or his heirs, executors or administrators, substantially in the following form, to-wit:

To.....
 You will please take notice that your annual assessment for the fiscal year beginning on the..... day of19....., (or special assessment as the case may be) became due on the..... day of19....., and still remains unpaid.

You are hereby required to appear before the Board of Directors of this Association, at a meeting to be held at the Board room, in the Duluth Board of Trade Building, in Duluth, Minnesota, on the..... day of19....., at..... o'clock P. M., and then and there show cause, if any there be, why your membership in this Association should not be forfeited, and sold, and the proceeds applied, as provided by the Rules of the Association.

Dated, Duluth, Minn.,

.....
 Secretary of Duluth Board of Trade.

At the time stated in said notice, the Board of Directors of this Association shall meet, and, if it shall find that notice of said hearing has been given as required by these rules, said Board shall, after hearing all evidence which may be offered, determine whether or not said assessment has been paid. If said Board shall determine that such assessment has not been paid,

then said Board may declare such membership forfeited, and shall order that such membership be sold, and the proceeds applied as provided by the rules of this Association.

In that event, the Secretary of the Association shall forthwith give notice and sell such membership in the manner provided by Section 16 of this Rule, to the highest bidder for cash, subject to the rules of the Association, unless such assessment shall be paid prior to said sale; and, out of the proceeds of such sale, shall retain the amount of the said assessment, and the interest that has accrued thereon; the balance, if any, shall be paid to such delinquent member, his heirs, executors or administrators, unless at the time of said sale there is on file in the office of the Secretary of the Association a verified statement of claim, by some member of this Association, alleging that said delinquent is indebted to a member of this Association, upon a claim, demand or transaction, arising from, or entered into by virtue of membership in this Association; in such case, it shall be the duty of the Secretary to post and give notice of a meeting of the Board of Directors, for the purpose of hearing and determining the amount and validity of such claim, and of all other claims due to members of the Association, which shall be filed with the Secretary prior to the hour fixed for said meeting of the Board of Directors, and for the purpose of determining whether any of such claims are a lien upon such membership, or entitled to share in the distribution of the proceeds of such sale, in the same manner in all respects as is provided in Section 12 of this Rule for the hearing and determination of claims, and the distribution of the proceeds of a sale, in the case of indebtedness due from any member of the Association. Thereupon, the Board of Directors shall meet and hear and determine all such matters, in all respects as under said Section 12 of this Rule provided, and shall distribute such proceeds among all the members of this Association whose claims are so allowed and found entitled to share in the distribu-

Distribution
of proceeds.

tion of said proceeds, in full or pro rata, as the case may be, (without regard to the time when such indebtedness became due or payable); and if there be any sum remaining, it shall be paid to such delinquent member, his executors, administrators or assigns. After such sale, such delinquent shall be deemed to have relinquished and forfeited his membership, and shall be admitted thereafter only as a new member.

Liens.

Sec. 12. Any member of this Association to whom another member is indebted upon any claim, demand or transaction arising from or entered into by virtue of membership in this Association, shall have a lien subject to the conditions in this Rule IX provided, upon all memberships standing in the name of such debtor upon the books of the Association at the time such indebtedness arises, except as otherwise provided by Section 10 of Rule IX, and also upon all memberships of which the purchase price has been paid by such debtor, as shown upon the books or records of the Association, at the time such indebtedness arises, for the amount of all such claims, demands or indebtedness, which lien may be enforced by a sale of such membership or memberships, by the Secretary of this Association, in the manner provided in this Rule IX. Provided, however, that such lien right shall apply only to such indebtedness as shall arise from a contract, obligation or transaction, made or entered into on or after the 1st day of April, 1908.

Any member of the Association to whom another member is so indebted, may file his verified statement of claim thereon, with the Secretary of the Association, at any time after such indebtedness arises.

Any member of the Association who is entitled under these rules to a lien upon any membership shall be deemed to have waived or abandoned such right to a lien, and shall have no further right thereto, unless he shall have filed with the Secretary of the Association a verified statement of his claim before the hour fixed for the meeting of the Board of Directors, at which a hearing is to be had by said Board to deter-

mine the validity, amount and right to a lien, upon any claim or indebtedness, as provided in Section 11, 12, 13, 14 and 15 of this Rule.

Any member of the Association, whose verified statement of claim has been so filed with the Secretary of the Association, may at any time after one year after such indebtedness became due and payable, file with the Secretary a written request for the sale of such membership, or memberships, upon which such lien exists. Thereupon, the Secretary shall post, upon the bulletin board in the Exchange room, a notice of the filing of such claim and request for sale and, as a part thereof, a notice of a meeting of the Board of Directors of the Association (to be held not less than ten days thereafter) for the purpose of hearing all evidence, and determining the amount and validity of said claim and of all other claims against such debtor which shall have been filed with the Secretary prior to the hour fixed for said hearing, and whether any of the same are a lien upon such membership, and for the purpose of directing a sale of such membership, or memberships, and the distribution of the proceeds, in accordance with these rules. At the time of posting such notice, it shall be the duty of the Secretary to serve, or to cause to be served, upon said member, so alleged to be indebted upon such claim, or transaction (or, in the event of his death, upon his heirs, executors or administrators), in the manner in these rules provided for the service of a complaint in arbitration, at least ten days prior to the meeting of the Board of Directors at which he is required to appear, a notice, addressed to said member, or his heirs, executors or administrators, substantially in the following form, to-wit:

To.....

You will please take notice that there has been filed in the office of the Secretary of this Association, bya member, a verified statement that you are indebted to said member in the sum of.....dollars, upon a claim, demand

Hearing on claims.

or transaction therein set forth, arising from, or entered into by virtue of your membership in this Association, and that such claim, demand and the indebtedness thereon, has remained unpaid for a period of more than one year after the same became due.

You are hereby notified that a meeting of the Board of Directors of this Association will be held at the Board Room, in the Duluth Board of Trade Building, Duluth, Minnesota, on theday of..... 19.....,at.....o'clock.....M., for the purpose of hearing and determining what sum or sums, if any, are due from you, either to the said member whose verified statement has been so filed with the Secretary, or to any other member of this Association whose verified claim has been, or may be, filed with the Secretary prior to the hour set for said hearing, and whether any of the same are liens upon any membership, or memberships, in this Association, according to its rules, and for the purpose of ordering a sale of such membership, or memberships, and a distribution of the proceeds of such sale, in the manner provided by the rules of this Association.

Service on
member com-
plained of.

You are hereby required to appear before the Board of Directors of this Association, at the time and place above specified, for the purpose of showing cause, if any there be, why said claim or indebtedness should not be allowed, and declared to be a lien upon such membership, or memberships, and the same sold and the proceeds distributed, as provided by the rules of this Association.

Dated, Duluth, Minn.,.....

.....
Secretary of the Duluth Board of Trade.

The Secretary shall also serve, at least ten (10) days prior to the said meeting of the Board of Directors, in the manner required for the service of a complaint in arbitration, a written notice of the time, place and purpose of such hearing, upon each and every member of the Association, whose verified statement of indebtedness, due to him from such debtor, is on

file with the Secretary at the time of posting such notice, and, in addition thereto, the Secretary shall mail to each other member of the Association, to his last known address, not less than six days before said hearing, a written notice of the time, place and purpose of said hearing.

At the time stated in said notice, the Board of Directors of this Association shall meet, and, if it shall be found that notice of said hearing has been given and served, as required by these rules, said Board shall hear all evidence which may be offered as to the indebtedness claimed against said member, in all verified statements filed with the Secretary by any member of this Association prior to the hour fixed for said hearing, and shall determine the validity of, and what sums, if any, are due upon, such claims, and whether or not any of such sums are a lien upon any membership, or memberships, under the rules of the Association. The finding and determination of all such facts, by resolution passed by the vote of a majority of the Board of Directors, shall be final and conclusive. Such hearing may be adjourned from time to time, in the discretion of the Board. If said Board shall determine that any such claim, or any part thereof, is a valid indebtedness against such member, and is a lien upon any membership, or memberships, in the Association, and has been due and payable for more than one year, the Board may order the sale of such membership, or memberships, in the manner provided by Section 16 of this rule, and a distribution of the proceeds among all the members whose claims have been so allowed and declared to be a lien upon such membership, in full or pro rata, as the case may be, (without regard to the time when the indebtedness thereon became due or payable); and if there be any sum remaining, it shall be paid to such debtor, his executors, administrators or assigns.

Sale of
membership.

Neither the discharge in bankruptcy of such debtor from the legal obligation of such claim, demand or indebtedness, nor the statute of limitations, shall im-

pair or preclude the right to enforce such lien; nor shall they, or either of them, impair the right to interpose objection to the transfer of a membership on account of any claim, demand or indebtedness affected thereby. Any firm or corporation allowed to exercise and enjoy the privileges of membership in this Association, pursuant to Section 9 of this rule, shall be entitled to the benefits of this section, and the membership, or memberships, of such firm or corporation, shall each of them be subject to a lien and to objection in case of attempted transfer thereof, on account of any claim or other objection against said firm or corporation in the manner herein provided.

Claims
against ex-
pelled mem-
ber.

Sec. 13. If, at the time a member is expelled from the Association, it is claimed by any member that such expelled member is indebted to him in any sum, upon any claim or demand arising out of any transaction had or entered into on the Board, or by virtue of membership therein, unless such indebtedness shall be adjusted and paid within sixty days after the expulsion of such member, the member to whom such indebtedness is owing, and who has filed with the Secretary of the Association a verified statement of his claim, may request a sale of any membership, or memberships, upon which such indebtedness is claimed to be a lien under the rules of the Association. Thereupon, it shall be the duty of the Secretary to post and give notice of a meeting of the Board of Directors, for the purpose of hearing and determining the amount and validity of such claim, and of all other claims due to members of this Association, of which verified statements shall have been filed with the Secretary prior to the hour fixed for said hearing, and whether any of the same are a lien upon any membership, and of ordering a sale of such membership, or memberships, and a distribution of the proceeds of such sale, in the same manner in all respects as is provided in Section 12 of this rule, for the hearing and determination of claims due from any member of the Association. Thereupon, the Board of Directors shall meet

and hear and determine all such matters, and may order a sale of said membership and a distribution of the proceeds, in all respects as provided in Section 12 of this rule (except that none of said claims need to have been due and payable for more than one year).

Sec. 14. If any annual, or special, assessment, upon any membership in the Association, standing in the name of a deceased member of the Association, shall not be paid within the time in this rule required for the payment of such assessment by members of the Association, such memberships may be sold, and the proceeds distributed, as provided by Section 11 of this rule, in the same manner as in the case of a member of the Association.

If, at the time of the death of a member of the Association, it is claimed that he was indebted to any other member of the Association, upon any transaction had or entered into on the Board, or by virtue of membership therein, unless such indebtedness shall have been adjusted and paid within eight months after the death of such member, any member of the Association to whom such indebtedness is owing, and who has filed with the Secretary of the Association a verified statement of his claim, may request a sale of any membership or memberships in the Association, upon which such indebtedness is a lien. Thereupon, the Secretary shall post and give notice of a meeting of the Board of Directors, for the purpose of hearing and determining the amount and validity of such claim, and of all other claims due to members of the Association by such decedent of which verified statements shall have been filed with the Secretary prior to the hour set for said hearing, and whether any of the same are a lien upon any membership, and of ordering a sale of such membership, and the distribution of the proceeds, in the same manner in all respects as provided by Section 12, of this rule, for such hearing, determination and sale, in the case of a member of the Association.

Thereupon, the Board of Directors shall meet and hear and determine all such matters, and may order

Claims
against mem-
bership of
deceased per-
son.

a sale and the distribution of the proceeds of such sale, in all respects as under said Section 12 of this rule (except that none of said claims need to have been due and payable for more than one year).

May sell expelled member's membership.

Sec. 15. If, at the time of the expulsion of any member from this Association, any membership, or memberships, in the Association stands in the name of such expelled member, or, if it appears from the records of the Association that such expelled member has paid the purchase price and is the owner of any membership standing in the name of any other member of the Association, unless all of such memberships shall be transferred within ninety days after the date of such expulsion, they may be sold by the secretary in the manner provided in Section 16 of this rule, upon the vote of a majority of the Board of Directors. In such case, notice of the time and place of sale shall be served in the manner required by these rules for the service of a complaint in arbitration, at least ten days prior to the time fixed for such sale, upon such expelled member, and upon the person in whose name any membership stands upon the books of the Association, of which such expelled member shall appear to have paid the purchase price, and notice of the time and place of such sale shall also be given to all members of the Association by mailing a written notice to each member, at his last known address, at least six days before the time fixed for such sale. If, prior to such sale, no verified statement of indebtedness claimed to be a lien upon such membership, is filed with the Secretary by any member of the Association, the proceeds of such sale shall be paid to such expelled member, his executors, administrators or assigns. If any verified statement of indebtedness, which is claimed to be a lien upon such membership, shall be filed with the Secretary by any member of the Association, prior to said sale, the amount and validity of such claim, and of all other indebtedness claimed to be due to members of this Association, of which verified statements shall have been filed with the Secretary

prior to the hour fixed for the meeting of the board of Directors provided for in this section, shall be determined by the Board of Directors at a meeting of said Board, to be held not less than ten days, nor more than thirty days after such sale; the Secretary shall post and give notice of said meeting of the Board of Directors, for the purpose of hearing and determining the amount and validity of such claims, and whether any of the same are entitled to share in the proceeds of said sale in the same manner in all respects as is provided by Section 12 of this rule, so far as applicable, and shall also serve a notice, stating the time, place and object of said meeting, upon such expelled member, at least ten days prior to such sale, in the manner required for the service of a complaint in arbitration. The hearing before said Board of Directors, and their determination, shall be in the same manner, and with the same effect, as is provided in Section 12 of this Rule IX; the proceeds of such sale shall thereafter be distributed among all the members of this Association whose claims are so allowed and found entitled to share in the distribution of said proceeds, in full, or pro rata, as the case may be (without regard to the time when such indebtedness became due or payable); and if there be any sum remaining, it shall be paid to such expelled member, his executors, administrators or assigns.

Sec. 16. In all cases where the Board of Directors shall have ordered the sale of a membership under any provision of this rule, it shall be sold in the following manner, to-wit:

Procedure in case of sale.

The Secretary of this Association, shall forthwith, after the membership has been ordered sold by the Board of Directors, post upon the bulletin board in the Exchange room of this Association, a notice that membership will be sold to the highest bidder for cash, by the Secretary of this Association, in the Exchange room of the Association, on the day and at an hour in said notice specified, which shall be not less than ten days after the posting of such notice. At the time

and placed fixed for said sale, the Secretary of the Association shall attend, and shall then and there offer for sale, and sell, such membership, to the highest bidder for cash, subject to the rules of the Association.

Sec. 17. If it shall come to the knowledge of the Board of Directors, on complaint or on its own inquiry, that any membership appearing on the records of the Association is not the property of the person in whose name it stands, but is the property of another member, firm or corporation, which has failed, suspended, or failed in the performance of contracts entered into upon the Exchange of this Association, or by virtue of membership therein, then, after due notice to said person and hearing by the Board of Directors, he may be suspended from the exercise of all privileges of membership in said Association.

RULE X

Association Meetings

Section 1. Meetings of the Association shall be held on call of the president or Board of Directors, or as provided for in Section 1 of Rule II. Fifteen members shall constitute a quorum, but a smaller number shall have power to adjourn. Wednesdays and Saturdays shall be the regular days for meetings for the election of members, and for the transaction of such other business as shall be brought before the Association. Resolutions introduced at any meeting shall lie over until the next regular meeting day before final action is taken thereon, unless, by two-thirds vote of the members present at such meeting this rule shall be suspended.

Annual
meeting.

Sec. 2. The annual meeting of the Association shall be held on the third Tuesday in January of each year.

RULE XI

Changes in Rules

Sec. 1. None of the Rules or By-Laws of the Duluth Board of Trade shall be rescinded or altered, nor any new ones made, unless by a vote of two-thirds

of the members voting, the total number of members voting being not less than 40. Notice of the proposed change shall be posted in the Exchange room of the Association for at least 15 days before being voted upon. Provided that any and all amendments or alterations shall, before submission for vote, have been first approved by a majority of the Board of Directors at a meeting of said directors.

At all balloting on amendments of the rules, any member who is not a resident of Duluth, and any resident member who is absent from Duluth at the time of such balloting, may vote by mail in the manner and to the extent hereinafter provided. At least eight days prior to the balloting, the Secretary shall send to each non-resident member, and upon written request shall furnish to each resident member: First, a ballot; second, a copy of the amendment on which a vote is to be taken; third, a small envelope, having printed thereon, "For ballot only;" fourth, a form of letter or transmission, addressed to the Secretary with a line for the signature of the member; and fifth, a larger envelope addressed to the Secretary. The member shall mark the ballot and place the same in the smaller envelope, and shall then seal the smaller envelope and enclose the same, together with his signed letter of transmission, in the larger envelope, which he shall mail to the Secretary. The Secretary shall hand all of such letters to the tellers in charge of the election. The tellers shall open the outside envelopes and deposit the smaller sealed envelopes in the ballot box, and shall indicate upon their books that the members whose names are signed to the letters of transmission have voted. Members may vote by mail as above authorized at all ballotings on proposals to amend the rules, except such rules as pertain to the employment of, and compensation payable to members and non-members for services rendered on the Duluth Board of Trade, or by virtue of membership therein; and such rules as pertain to contracts made on the Duluth Board of Trade. All ballots

to be counted must be received by the Secretary on or before 12 o'clock, noon, of the day fixed for the vote.

RULE XII

Regular Sessions

The regular sessions of this Board shall be held from 9:30 A. M. to 1:15 P. M. daily, except Saturday, when trading shall cease at 12 o'clock noon.

RULE XIII

Brokers and Agents

Broker defined.

Sec. 1. The term "broker," as used in these rules, shall be construed to mean a resident member of the Association who acts for another resident member in making any trade, and who reports the name of the member for whom he acts at the time of making the trade, and who at no stage of the transaction becomes the actual owner of the property. Resident members of the Association shall mean persons, firms or corporations actively engaged in business on the Exchange and shall not include members who maintain their offices elsewhere and transact business on the Exchange in Duluth through other members.

Provided, however, that on C. I. F. contracts for grain or seeds for shipment to or from Duluth by vessel, a member may act as a broker and may give up to the member with whom he makes a contract the name of a principal who is not a member of the Association.

Any person claiming to act as a broker shall be required to name his principal at the time of making the purchase or sale; and failing to do so, shall thereafter be held responsible for such trades, at the option of the party with whom he shall have made the same, and shall also be held liable for the acceptance of such trade by his principal.

Rates of commission.

Section 2-a. The following are the rates of commission which shall be charged by members of the Association for the transaction of business:

Receiving and selling on arrival, to arrive or for some future month's delivery:

Wheat, $1\frac{1}{2}$ cent per bushel.

Rye, 1 per cent of the gross proceeds, with a minimum charge of 1 cent per bushel.

Barley, 1 per cent of the gross proceeds, with a maximum charge of 2 cents per bushel and a minimum charge of 1 cent per bushel.

Corn, 1 per cent of the gross proceeds, with a minimum charge of $\frac{1}{2}$ cent per bushel.

Oats, 1 per cent of the gross proceeds, with a maximum charge of 1 cent per bushel and a minimum charge of $\frac{1}{2}$ cent per bushel.

Flaxseed, 1 per cent of the gross proceeds, with a maximum charge of $2\frac{1}{2}$ cents per bushel and a minimum charge of 2 cents per bushel.

Millstuffs, 50 cents per ton; Ground Feed, 50 cents per ton; Screenings, 25 cents per ton; Hay, \$1.00 per ton, except that the minimum charge on hay shall be \$10.00 per car load.

Speltz, 1 per cent of the gross proceeds.

Buckwheat, 2 per cent of the gross proceeds.

Sacked lots of grain and screenings in less than car loads, $1\frac{1}{2}$ per cent of the gross proceeds, except that for buckwheat and grass seeds, the charge shall be 2 per cent of the gross proceeds. The minimum charge on any sacked lot shall be \$2.50.

On sales to arrive where delivery is not made, one half of the above commission shall be charged.

Sec. 2-b. For services in receiving and handling; receiving and ordering in store; or receiving, without purchase, on warehouse receipts or otherwise, and shipping in cars, any of the commodities dealt in on the exchange, one-half of the minimum rate of commission prescribed in this section shall be charged; if shipped by vessel, the rate fixed in paragraph b of Sec. 3 of this rule shall be charged.

Sec. 3-a. Buying and shipping in cars—Lots of less than 5,000 bushels.

Wheat and Rye, $1\frac{1}{2}$ cents per bushel.

Barley, 1 per cent of the gross proceeds, with a maximum charge of 2 cents per bushel and a minimum charge of 1 cent per bushel.

Corn, 1 per cent of the gross proceeds, with a maximum charge of $1\frac{1}{2}$ cents per bushel and a minimum charge of $\frac{3}{4}$ cent per bushel.

Oats, 1 per cent of the gross proceeds, with a maximum charge of 1 per cent per bushel and a minimum charge of $\frac{1}{2}$ cent per bushel.

Flaxseed, 1 per cent of the gross proceeds, with a maximum charge of 2 cents per bushel, and a minimum charge of $1\frac{1}{2}$ cents per bushel.

Lots of 5,000 bushels and more:

Wheat, barley, and rye, 1 cent per bushel.

Corn, $\frac{3}{4}$ cent per bushel.

Oats, $\frac{1}{2}$ cent per bushel.

Flaxseed, $1\frac{1}{2}$ cents per bushel.

Sec. 3-b. For receiving and selling from vessels, or buying and shipping by vessels:

Wheat, rye and barley, $\frac{1}{2}$ cent per bushel.

Flaxseed, $\frac{3}{4}$ cent per bushel.

Corn and Oats, $\frac{1}{4}$ cent per bushel.

Sec. 3-c. When delivery of warehouse receipts on a contract for future delivery has been made and the owner orders the grain represented by such receipts handled and shipped in cars, the rates for the entire transaction shall be as provided in Sec. 3-a. When a contract for future delivery is exchanged in the purchase of grain or flaxseed for shipment, it shall be construed to be a delivery.

Sec. 3-d. When a contract for future delivery is made, and delivery of warehouse receipts on the same is received and the same is ordered shipped by vessel, or when a contract for future delivery is exchanged in the purchase of cash grain or flaxseed for shipment by vessel, the rate of commission for the entire transaction shall be as follows:

Wheat, rye and barley, $\frac{3}{4}$ cent per bushel.

Flaxseed, 1 cent per bushel.

Corn and oats, $\frac{1}{2}$ cent per bushel.

Sec. 3-e. Buying and ordering in store:

Lots of less than 5,000 bushels:

Wheat and flax, 1 cent per bushel.

Barley and rye, $\frac{3}{4}$ cent per bushel.

Corn $\frac{1}{2}$ cent per bushel.

Oats, $\frac{1}{2}$ cent per bushel.

Lots of 5,000 bushels and over:

Wheat, rye and flax, $\frac{3}{4}$ cent per bushel.

Barley, corn and oats, $\frac{1}{2}$ cent per bushel.

If later ordered shipped by member making purchase, the additional charge for shipping shall be:

Lots of less than 5,000 bushels:

Wheat, rye, corn, barley and flaxseed, $\frac{1}{2}$ cent per bushel.

Oats, $\frac{1}{4}$ cent per bushel.

Lots of 5,000 bushels and over.

Wheat, corn, oats, barley, rye and flaxseed, $\frac{1}{4}$ cent per bushel.

Sec. 3-f Brokerage on C. I. F. contracts: For the purchase or for the sale of grain or seeds for shipment from or to Duluth-Superior by vessel, the brokerage rates shall be as follows:

Wheat, rye, barley and flaxseed, $\frac{1}{4}$ cent per bushel.

Corn, $\frac{1}{5}$ th cent per bushel.

Oats, $\frac{1}{8}$ th cent per bushel.

Sec. 4. Warehouse receipts. Buying lots of not less than 5,000 bushels, $\frac{1}{4}$ cent per bushel; lots of less than 5,000 bushels, $\frac{1}{2}$ cent per bushel. No charge for selling same receipts.

Selling warehouse receipts: Lots of not less than 5,000 bushels, $\frac{1}{4}$ cent per bushel; lots of less than 5,000 bushels, $\frac{1}{2}$ cent per bushel.

Sec. 5. Buying and selling for future delivery:

Wheat, rye and barley, $\frac{1}{4}$ cent per bushel.

Flaxseed, $\frac{1}{2}$ cent per bushel.

When delivery of warehouse receipts is made on contracts for future delivery, an additional charge of

C. I. F.
Brokerage.

Commission
charges on
futures.

AMENDMENT—SEC. 5, RULE XIII

Sec. 5. Buying and selling for future delivery:

Wheat, rye and barley, $\frac{1}{4}$ cent per bushel; Provided, that for foreign transactions (exclusive of Canada) the rate shall be $\frac{3}{8}$ cent per bushel.

Flaxseed, $\frac{1}{2}$ cent per bushel.

$\frac{1}{8}$ cent per bushel shall be made for wheat and other grains, and $\frac{1}{4}$ cent for flaxseed. No additional charge shall be made for selling the same receipts.

When a member shall act as agent for a resident member of the Association in the purchase or sale of grain or flaxseed for future delivery, and before the close of the day on which transactions are made they shall be assumed by the principal from the agent, the rate charged for the service shall be \$1 per 1,000 bushels for flaxseed and 50 cents per 1,000 bushels for other grains.

Rates
between
members.

Sec. 6. To members of the Duluth Board of Trade not less than one-half of the regular rates of commission shall be charged.

The brokerage charge for the purchase or sale of flaxseed for future delivery shall not be less than 25 cents per 1,000 bushels.

Other
expenses.

Sec. 7. In addition to the above, there shall be charged such legitimate expenses as are necessarily incurred in caring for the property and guarding the interests of both the consignor and consignee, and including not less than one charge for sampling at the prevailing cost. Interest shall be charged on all advances made to country shippers or members of other exchanges. Nothing in this rule shall be so construed as to prevent special agreement between consignor and consignee, by which a higher rate of commission, or interest may be charged in special cases.

Sec. 7-b. Prior to and effective on and after August 1, 1926, the Board of Directors of this Association shall designate the minimum interest rate to be charged on all advances or loans made to all non-members of this Association who are shippers of grain or seeds to this market. This interest rate shall be the minimum interest rate charged on all advances whether made on bills of lading, open account or any form of security. This rule shall not prevent the charging of a higher rate of interest than the rate named.

Prior to and effective on and after August 1, 1926, the Board of Directors of this Association shall designate the maximum interest rate to be allowed on all credit balances of non-members of this Association who are shippers of grain or seeds to this market. This interest rate shall be the maximum interest rate allowed on any credit balance whether arising from open account or whether secured by note or in any other form. This rule shall not prevent the allowance of a lower rate of credit interest than the rate named.

At any regular or special meeting after August 1, 1926, the Board of Directors is authorized to change the interest rate charged on debit balances or the interest rate allowed on credit balances, which changes shall be in effect upon the date designated by the Board of Directors.

It shall be the duty of the Board of Directors to investigate any complaint of a violation of this rule, and if the member accused shall be found guilty he may be censured, fined, suspended or expelled, after charges made and a hearing and determination thereon by the Board of Directors in the manner provided in Section 12 of Rule IV.

Sec. 8. Every member of the Association, and every person, firm and corporation admitted to trade or to do business therein, who shall, while a member, upon said Board, or in any transaction made by virtue of his membership therein, charge less than the regular rates of commission, and interest, established by the rules of the Association; or who shall, with intent to cut or evade in any way, directly or indirectly, the regular rate of commission or interest, established by the rules of the Association:—assume, or rebate, any portion of the same; or purchase, or offer to purchase, sell or offer to sell, any grain or seed on track, at any railway station outside of, and for delivery at, the city of Duluth or Superior; or purchase, directly or indirectly, for his own account, or otherwise, from any person not a member of the Association, any grain, seed or other commodity dealt in upon the Board, without

Penalty for
violation of
commission
rule.

charging and deducting from the purchase price the regular rate of commission, and interest, if any,, established by the rules of the Association; or give, either directly or indirectly, compensation to station agents, elevator agents, bankers, brokers, merchants or any other parties, at any locality whatsoever, to influence shipments or consignments of grain, or make or report any false or fictitious sale or purchase, or resort to any method of accounting, directly or indirectly in violation of, or contrary in purpose or effect to a strict adherence to the regular established rates of commission of the Association, or pay, or give, or offer so to do, any money or other consideration, of whatsoever nature, to any person to procure or influence shipment or consignments of grain or seed in any form, or to make use of any other shift or device whatsoever to cut or evade the regular rates of commission or interest established by the rules of the Association; shall be deemed guilty of a violation of the rules of the Association establishing rates of commission, and, upon conviction thereof, shall be fined not less than one thousand dollars, nor more than two thousand dollars, as the Board of Directors may determine, which sum shall be paid into the general fund of the Association; and, in addition thereto, proceedings may be instituted against said member, and he may be punished by imposition of the penalty provided, under and in accordance with Rule IV of this Association, if the Board of Directors shall deem such additional punishment necessary. But this rule shall not prevent the regular employment, by members of this Association of traveling men, but shall prohibit a division of commissions with such traveling men who are not resident members of this Association.

Penalty.

Sec. 9. Any member of the Duluth Board of Trade, who shall become the agent of, or who shall handle grain on commission, or otherwise, for any person, firm or corporation, when such person, firm or corporation is known to be buying or handling, or has attempted to buy or handle grain for less rates of

commission than provided in this rule, shall be considered as having violated this rule, and be held subject to the penalties prescribed.

Sec. 10. Any charge of violation of the foregoing provisions, or any part thereof, shall be by complaint in writing, filed with the Secretary of the Association. The party charged shall be summoned by written notice from the Secretary, served as required for service of a complaint in arbitration, at least 6 days prior to the time fixed for said hearing, and shall appear before the Board of Directors of the Association, who shall investigate and try the charge.

Hearing of charges.

Sec. 11. The Board of Directors shall offer a reward, not exceeding \$1,000 to any person who shall furnish evidence that does convict any member of the Duluth Board of Trade, or any firm, corporation or party admitted to trade, or do business in the Duluth Board of Trade of a violation of the established rates of commission.

Reward offered.

Sec. 12. Any member of the Duluth Board of Trade, may at any time submit in writing to the Board of Directors any question for interpretation under this rule, and the question and its interpretation shall be posted on the Board for at least ten (10) days, and henceforth be to all intents and purposes a part of this rule.

Interpretation of rule.

RULE XIV

Rights of Parties on Contracts

Sec. 1. On all contracts for grain for future delivery, the grades shall be, unless otherwise specified:

Contract Grades.

Spring Wheat: No. 1 Northern Spring, contract grade. On contracts for future delivery of Spring wheat the following grades shall be deliverable at the price differences given:

No. 1 Hard Spring, 2 cents above the contract price.

No. 1 Dark Northern Spring, 1 cent above the contract price.

No. 2 Dark Northern Spring, 2 cents under the

contract price.

No. 2 Northern Spring, 3 cents under the contract price.

Durum Wheat: No. 2 Amber Durum, contract grade. On contracts for future delivery of Durum wheat, No. 1 Durum shall be deliverable at the contract price and the following grades shall be deliverable at the price differences given:

No. 1 Amber Durum, 1 cent above the contract price.

No. 2 Durum, 2 cents under the contract price.

No. 3 Amber Durum, 4 cents under the contract price.

No. 3 Durum, 6 cents under the contract price.

Mixed durum wheat shall be deliverable on contracts for the future delivery of durum wheat as follows:

No. 1 Mixed Durum, 2 cents under the contract price.

No. 2 Mixed Durum, 4 cents under the contract price.

(Grades deliverable on durum wheat future contracts as above were adopted effective April 25, 1933, on September, 1933, and later contracts, but on May and July, 1933, contracts No. 1 amber durum to be deliverable at 2 cents above the contract price, No. 1 mixed durum at 4 cents under and No. 2 mixed durum at 6 cents under the contract price.)

Winter Wheat: The following grades shall be deliverable at the contract price: No. 1 Dark Hard Winter, No. 2 Dark Hard Winter, No. 1 Hard Winter, No. 2 Hard Winter, No. 1 Yellow Hard Winter, No. 2 Yellow Hard Winter, No. 1 Red Winter and No. 2 Red Winter.

The following grades shall be deliverable at 5 cents under the contract price: No. 3 Dark Hard Winter, No. 3 Hard Winter, No. 3 Yellow Hard Winter, No. 3 Red Winter, No. 1 Hard White and No. 2 Hard White.

On contracts for future delivery of Winter wheat the

following grades of Spring wheat shall be deliverable at the contract price:

No. 1 Dark Northern, No. 2 Dark Northern, No. 1 Northern, No. 2 Northern, No. 1 Red Spring and No. 2 Red Spring.

The following grades shall be deliverable at 8 cents under the contract price: No. 3 Dark Northern, No. 3 Northern and No. 3 Red Spring.

Flaxseed: No. 1 Flaxseed, contract grade. Any Flaxseed wherever grown, that shall be graded No. 1 shall be deliverable at the contract price. No. 2 Flaxseed, wherever grown, shall be deliverable at a penalty equal to 2 per cent of the contract price.

Barley: Special No. 2 Barley, with the following grades deliverable at the price differences given:

No. 1 Barley, 2 cents above the contract price.

No. 2 Barley, 5 cents under the contract price.

No. 3 Barley, 8 cents under the contract price.

Rye: No. 2 contract grade, with No. 3 deliverable at a penalty of 3 cents per bushel.

The grades of spring wheat, durum wheat, winter wheat, rye and barley referred to in this section shall be according to the standards established under the provisions of the United States Grain Standards Act, and the grades of flaxseed shall be as established by the State Board of Grain Appeals of the State of Minnesota, or the Wisconsin Grain and Warehouse Commission of Superior, Wisconsin.

Sec. 2. On time contracts made between members of the Association, where property is bought deliverable on the buyer's demand within a specified time, the time of delivery shall be as follows: When demand for the property is made by the buyer before 12 o'clock M. it shall be due and deliverable before 2:30 o'clock P. M. same day. When the demand is made after 12 o'clock M., the property shall be due and deliverable next day, at such time as the buyer may designate, between the hours of 10 o'clock A. M. and 2:30 o'clock P. M. On Saturday when the ex-

Buyer's Right
on time
contracts.

change closes at 12 M., deliveries shall be made at or before 12:20 P. M. The buyer may specify any particular future time, during the term of the option, upon which the property shall be due and deliverable.

Seller's right
on time con-
tracts.

Sec. 3. On contracts for property deliverable at the pleasure of the seller, the seller may deliver the property at any time during the option between the hours of 10 o'clock A. M. and 2:30 P. M., but failing to find the purchaser on call to deliver, notice shall be left at his place of business, and the buyer shall be entitled to call for the property within the next business hours, not later than 2:30 P. M. On Saturday when the Exchange closes at 12 M., deliveries shall be made at or before 12:20 P. M.

Maturity of
contracts.

Sec. 4. All time contracts, excepting contracts where property is deliverable on the buyer's demand, shall expire at 2:30 P. M. on the day of the maturity of the contract, except in cases where the contracts mature on Saturday, when they shall expire at 12:20 P. M.

On all sales for the first half of any month, deliveries must be made before the expiration of regular delivery hours on or before the fifteenth day of that month.

Sec. 5. When a contract shall mature on Sunday, or on a legal holiday, or upon any day upon which the Board holds no regular sessions, delivery on such contract shall be made on the preceding business day.

Deliveries of
grain sold in
store.

Sec. 6. On contracts for grain sold in store, without special agreement as to the delivery, the property shall be deliverable before eleven (11) o'clock A. M. of the next business day. In case a purchase is specified as "spot" the property shall be delivered before 2:30 P. M. of the same day, except on Saturday, when it shall be delivered before 12:20 P. M. In case of the tender of property during the temporary absence of the purchaser from his place of business, notice of such tender shall be left at his office and he shall have the right to call for the same and pay for it within one hour thereafter.

Sec. 7. On contracts for grain sold for "prompt shipment" the seller shall have ten days from date of sale in which to make shipment. Sales for
prompt
shipment.

Sec. 8. On contracts for grain sold for shipment "on the opening of navigation," the seller shall have ten (10) days from the "opening of navigation" as hereafter defined.

"The opening of navigation" shall be construed to mean the arrival in Duluth harbor of the first vessel from Lake Erie ports, through the Sault Ste. Marie canal, and that the entrance or entrances to the Duluth-Superior harbor shall be free from obstruction by ice. Provided, however, that if the first vessel shall so arrive prior to the date when regular insurance, both cargo trip and hull, for grain to lower lake ports is in force, the opening of navigation shall date from the first day such regular insurance, both cargo trip and hull, shall be in force. In the event of ice returning in sufficient quantities to obstruct navigation, either at the entrance or entrances to the Duluth-Superior harbor or in the channel or channels to and from Lake Erie, then all contracts based on the opening of navigation shall be extended by declaration of the Board of Directors for as many days as in its opinion such obstruction exists. Opening of
Navigation.

Sec. 9. On contracts for grain sold "to arrive," without special agreement as to time of delivery, the seller shall have twenty days from date of sale in which to make delivery. In case delivery is not made in the specified time, the buyer may, after calling for delivery; if delivery is not made by twelve o'clock of the next business day, fill such sales by buying the property on the open market for account of the seller, or require settlement at the market price at the time of demand. Until demand is made by the buyer for delivery the contract shall continue in force. In all cases where notice cannot be served personally, or left at the place of business of the other party, it shall be sufficient to leave such notice with the Secretary. Sales to
arrive.

Bushels
constituting
a carload.

Sec. 10. In all purchases and sales of commodities by the carload it shall be the rule that the following amounts shall constitute a carload unless otherwise agreed upon by the parties: Wheat, thirteen hundred (1,300) bushels; Corn, fifteen hundred (1,500) bushels; Oats, twenty-two hundred (2,200) bushels; Barley, sixteen hundred (1,600) bushels; Rye, fourteen hundred (1,400) bushels; Flaxseed, twelve hundred (1,200) bushels; Mill Oats and Barley Needles, forty-eight thousand (48,000) pounds; Screenings of all kinds, fifty thousand (50,000) pounds.

Where purchases or sales are made of contents of cars of stated capacity, the following shall be the amounts that shall constitute a carload: 60,000 pounds capacity, 60,000 pounds net; 80,000 pounds capacity, 80,000 pounds net; 100,000 pounds capacity, 100,000 pounds net.

Acceptance
of car.
Plugged cars.

Sec. 11. The unloading of any car of grain bought by sample, shall constitute the acceptance of same by purchaser, provided that where, in the process of unloading, any portion of a car is found to be plugged or of quality inferior to that of sample upon which the grain was sold, the purchaser shall accept the portion of the car unloaded and the remainder shall be left in the car subject to the order of the seller, who shall be immediately notified by the elevator company unloading the same.

What consti-
tutes an
acceptance.

Seller
guarantees
title.

Sec. 11-a. In all sales of grain or seeds, whether to arrive, on track or spot, made upon the Board, or by virtue of membership in the Association, by one member to another, the member who shall make the sale, whether acting as owner, broker, commission merchant or agent, shall be deemed and obligated, as a part of the contract of sale and with the same effect as incorporated therein, to warrant and guarantee to the buyer good title to the grain or seed sold, free from all liens, encumbrances and charges, and that such seller shall indemnify and save harmless such buyer from any and all damages, loss, charges and expense in any

way resulting from any failure of title to said commodity or from any adverse claim to or lien encumbrance or charge upon said commodity; unless an agreement in writing, limiting the obligation of the seller shall have been made by the parties at the time of, or prior to, such sale.

Regular Deliveries

Sec. 12. All deliveries upon contracts for grain, unless otherwise expressly provided, shall be made by tender of "regular" warehouse receipts. All such warehouse receipts shall be made to run ten days from date of delivery, at regular or customary storage charges, which regular or customary charges shall follow such warehouse receipts and be chargeable upon the property covered by the same. All receipts issued, and duly registered according to the law of Minnesota or the rules of the Duluth Board of Trade, by any warehouse declared "regular" by the Board of Directors at the time of the issuance of such receipt, shall be "regular" for delivery on contracts. Deliveries on contracts.

Upon all warehouse receipts for grain delivered on contracts for future delivery, the person, firm or corporation making the delivery shall, when requested within a reasonable period thereafter, provide and deliver inbound freight expense bills, representing a quantity and kind of grain equal to that covered by the receipts. The freight expense bills so provided shall be such as will enable the grain represented by the warehouse receipts to be shipped on proportional railroad freight rates from Duluth to Chicago and/or to Minneapolis. These freight bills shall be such as will have the privilege of such proportional rates for a period not less than 60 days after the date of making delivery before such privilege expires. The proportional rates represented by such inbound freight expense bills shall be such rates as were in effect on the dates of shipment from the points of origin of the grain represented by such freight expense bills. If the grain loaded out of any elevator on such above described receipts shall contain dockage, the elevator shall deliver to

the owner of the receipts, additional freight expense bills of such amount and of the character described above, as will enable the shipment of the gross amount of such grain to be made on such proportional rates as provided in this section.

Proper tend-
ers of grain.

Sec. 13. All Warehouse receipts for property tendered or delivered, on contracts shall be for quantities or parcels in the aggregate, as sold, accompanied by a memorandum of the property delivered, with the price of the same together with the amount due therefor. Provided on all time contracts of five thousand (5,000) bushels, or any multiple thereof, deliveries shall be made in lots of five thousand (5,000) bushels, and on all time contracts of one thousand (1,000) bushels, or any multiple thereof, except as provided above, deliveries shall be made in lots of one thousand (1,000) bushels. When total delivery is tendered on contracts they shall be filled within one (1) per cent. Any excess or deficit within the above limits shall be settled for at the current market.

Deliveries of Grain by Notice

Notice.
How given.

Sec. 14. Notice of readiness to deliver grain by warehouse receipts in fulfillment of contracts shall be given to the buyer or his representative in writing, and the notice shall state in detail the elevator receipts proposed to be delivered, the amount of extra storage accrued thereon, and the contract price. The delivery of such notice shall be made by the issuer between the hours of 9:10 A. M. and 2 o'clock P. M. except that on Saturday the delivery shall be between the hours of 9:10 A. M. and 12:20 P. M., and notice may be passed from one buyer to another successively, if delivered within five minutes from the time of receiving it, and each party receiving and delivering it shall indorse thereon the name of the party to whom, and the minute when, he delivers it, and the contract price at which he proposes to deliver the property. At other

hours included in the time prescribed by the rules of the Board of Trade for making deliveries of grain on the days specified, and also at all hours during such prescribed time on other days, such notice may be delivered at the place of business of the buyer and may be passed from one buyer to another successively, in a like manner, if delivered within fifteen minutes from the time it was received. No more than five thousand bushels shall be entered upon notice, and less quantities shall be in lots of one thousand bushels or in multiples thereof. Notices shall be consecutively numbered by the party issuing them and give his place of business.

Notice may
be passed.

When any member of the Association shall elect to report his transactions to the Duluth Board of Trade Clearing Association, for clearing and such protection as that Association may extend, he shall clear and close all such transactions under the rules of said Duluth Board of Trade Clearing Association. Provided, that members entering into transactions may, by agreement, withhold them, or any of them, from the Duluth Board of Trade Clearing Association, and adjust and close them under the provisions of this Rule XIV.

Sec. 15. In case any party to whom such notice is properly deliverable should not be present or represented on the floor of the Board at the proper time to receive it, the Secretary of the Board of Trade, or his assistants, shall, at the request of the holder of the notice, make entry of the fact thereon, and the notice shall then be deliverable at the place of business of the absentee at any time before 2 P. M. on same day, or, if on Saturday, before 12:20 P. M. of the same day.

Sec. 16. When delivery is made through the Duluth Board of Trade Clearing Association it shall have until 2:30 P. M. to make final delivery, on all days except Saturday, when its final delivery shall be made at 12:30 P. M.

Delivery by
Clearing
House.

Issuance of
sub-notice.

Sec. 17. Should any party receiving such notice desire to deliver the property therein described in portion to different parties, he may issue new notices, subdividing the property, stating in each of the elevator receipts proposed to be delivered thereon, the amount of extra storage accrued and the contract price, and also the number of the notice from which it was transferred, with the name of the issuer thereof, and the time at which it was received by him. Such sub-notice may then be passed from one buyer to another successively in the same manner as an original notice, and may be further subdivided, provided that any subdivision shall be in lots of one thousand bushel or multiples thereof. Such sub-notice shall be treated in every respect by all parties the same as an original notice, and the last holder thereof shall present it, with proper payment for the property mentioned, to the issuer, and shall thereupon be entitled to receive the property therein mentioned.

Delivery of
notice a valid
tender.

Sec. 18. The delivery of such notice or sub-notice shall be held and deemed to be a valid and sufficient tender of property in fulfillment of contracts made under the rules of the Duluth Board of Trade to each party whose name is indorsed thereon of the property be actually delivered or be shown to have been ready for delivery by the party issuing such notice. It shall be the duty of the party last receiving such notice to present it, with certified check on some bank in the City of Duluth in good standing or other satisfactory payment, for the net value of the property described, and shall thereupon be entitled to receive said property. If such notice shall have been delivered to the final holder previous to 11:30 o'clock A. M. it shall be presented to the holder of the property, together with the payment therefor, before noon of the same day; and the value shall be determined by the closing market price of the previous day; and if such notice be delivered after 11:30 o'clock A. M. payment shall be made in like manner before 2:30 P. M. of the same day, and the value shall be determined by the closing

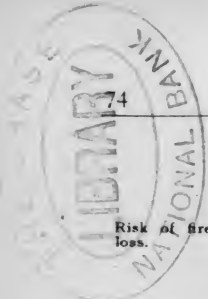
To present
notice for
payment.

market price of that day, or if delivery be made before 1:15 P. M., at the closing market price of the previous day. When the property becomes deliverable on Saturday, delivery shall be made before 12:20 P. M. of that day. The market price herein mentioned shall be ascertained as nearly as practicable, and conspicuously posted on a bulletin board on the floor of the Board by the Secretary, or such person as he may delegate. Nothing herein contained shall be construed as precluding the delivery of property in the usual way, without notice.

Sec. 19. In case of default on the part of the final holder of such notice to make payment for and receive the property mentioned as required, said property shall be sold at the next regular session of the Board of Trade, and the holder thereof shall be entitled to a commission of one-fourth cent per bushel, together with all expenses of carrying the same to be borne by the last previous holder of the notice, and, in case of his default, by the next previous holder, and so on back until paid. Each subsequent holder shall, however, be held liable in turn to reimburse the previous holder. Notice of such default shall be given in writing by the holder of the property before 2 o'clock P. M. the same day to the party to whom the delivery notice shall have been first given, if the delivery notice shall have been given before 11:30 o'clock A. M., and if the delivery notice shall have been given after 11:30 o'clock A. M., the notice of default shall be given before 4 o'clock P. M., and it shall be delivered by each buyer in turn to the next, without delay, in the same order as the original delivery notice. Notice of resale shall be given promptly in the like manner.

Procedure in
case of de-
fault.

All differences due from and to each party on property so delivered shall be payable immediately upon the delivery of the property. Each party receiving a delivery notice shall be responsible to the party from whom he shall have received it, and to the party to whom he shall have delivered it, and they also to him, for any difference between the price actually paid



RULES AND REGULATIONS

for the property on delivery and their respective contract price.

Sec. 20. The risk of loss by fire shall continue in the original sender of the notice until the title has passed by actual delivery by him of the warehouse receipts and payment has been made therefor.

Sec. 21. When sales of grain or seeds are made where the property is to be delivered at, or from, elevators, mills or other industries, or on track, or in any manner, and at any place agreed upon between the buyer and seller, the transactions shall, in the absence of special agreement between the parties, be deemed to be made subject to the following conditions:

First—In all such transactions payment in cash for the property is contemplated.

Second—Title to the grain shall not pass to the buyer until payment of the purchase price to the seller or his assigns.

Third—The buyer shall insure the grain or seeds to their full value against loss by fire from the time the property is delivered to him by the railway company, or to another at his request, until title has passed by payment. Delivery shall be deemed to have been made to the buyer by the railway company when cars have been placed at a point within 100 feet of the unloading elevator, mill, or other place at which the buyer shall direct that the property shall be unloaded.

Fourth—That in case of loss by fire of any grain or seeds at a time when insurance is carried by some one other than the actual owner, the proceeds of the insurance shall stand as security to the actual owner to the extent of the amount owing him for such grain or seeds, and the persons collecting such insurance shall hold in trust the amount due the actual owner, for the benefit of, and shall pay the same to the true owner thereof, as his interest shall appear.

Sec. 22. When a sale or contract is made desig-

Risk of fire loss.

Passing of title

Fire Insurance risk.

DULUTH BOARD OF TRADE

75

nated by the initials "C. I. F.," it signifies that a sale is made at a price covering cost of articles sold, together with the expense of insurance and freight covering the property to the point of destination agreed upon by the contracting parties. In the absence of special agreement between the parties, the seller's portion of such contract is completed when he shall have furnished evidence of loading the property, such evidence being the customary bill of lading, free from restrictions, and certificate of inspection, accompanied by an insurance certificate issued by a company in good standing, with the cost of insurance paid to and including seventy-two hours after arrival at destination, after which time the cost of insurance is to be borne by the buyer. From the time of furnishing these evidences of the seller's obligation, the total responsibility of the property rests absolutely with the purchaser, and the seller, therefore, is in every particular exempted, in fact and in terms, from liability of whatever name and nature, under such contract.

C. I. F. contracts defined.

RULE XV

Failure to Deliver on Contracts

Section 1. In case any property contracted for future delivery is not delivered at maturity of contract, the President shall appoint a committee of three from the membership at large, to be approved by the Board of Directors, which committee shall determine as nearly as possible the true commercial, or market, value of the commodity in question on the day of the maturity of the contract, and the price so established shall be the basis upon which settlement shall be made.

Said committee shall determine the price at which it shall be proper to make settlement on all trades in said commodity, which shall be, as liquidated damages, the payment of not less than three per cent, nor more than 10 per cent, in the case of wheat, rye, barley and oats, and not less than 1 per cent nor more than 10 per cent in the case of flaxseed, (as the committee

To determine property in case in default.

may deem just and equitable) above the then true commercial, or market, value of the commodity, as so determined by the committee.

Trading in
time of war.

Sec. 2. The Board of Directors during the continuance of any war to which the United States shall be a party, shall have the power from time to time to thereafter prohibit, until further action of the Board and notice thereof, trading for present or future delivery in any or all of the commodities traded in on its exchange, or such trading for delivery in any particular month, including trading in settlement of any then existing future contracts. Whenever such trading for future delivery shall have been so prohibited, the Board of Directors shall appoint a committee of three from the membership at large, which committee shall fix, as of the day immediately preceding the first day on which said future trading shall have been prohibited, a fair and reasonable price at which existing contracts shall be settled, and the price so established shall, without the payment of any penalty, be the basis on which such settlements of such contracts for future delivery shall be made. The Board of Directors, whenever the public welfare or the best interests of the Association in its judgment seem to require, shall have power to suspend, during the continuance of any war to which the United States shall be a party, the operation of any rule of the exchange, and also to fix a maximum price for any commodity dealt in on its exchange, above which price no member shall thereafter and during the maintainance of said maximum price, be permitted to make a trade in such commodity. Any action of the Board of Directors under this section shall be binding on all members of the Association, from and after the hour when the same shall be posted on the bulletin board in the exchange room. It shall be the duty of the Board of Directors to investigate any complaint of a violation of this rule, and if the member accused shall be found guilty, he may be censured or fined, suspended or expelled, after charges made and a hearing and determination

thereon by the Board of Directors in the manner prescribed in Section 12 of Rule IV.

RULE XVI

Margin on Time Contracts

Section 1. On time contracts purchasers shall have the right to require of sellers, as security, ten (10) per cent margins based on the contract price, and further security from time to time, to the extent of any advance above said contract price for the article named and the delivery specified in the contract.

Rights of
purchasers.

Sec. 2. Sellers shall have the right to require, as security, from buyers, ten (10) per cent margins, based on the contract price, and further security, from time to time, to the extent of any decline below said contract price for the article named and the delivery specified in the contract. Should the contract price be above the legitimate shipping or intrinsic value of the property sold, sellers may require additional security to the extent of any difference that may exist between such legitimate shipping or intrinsic value and the price of sale.

Rights of
sellers.

Sec. 3. In determining the legitimate or intrinsic value of property under this rule, its value for shipment to eastern or southern markets, or for manufacturing, together with such other facts as may justly enter into the determination of its value, shall be considered, and in case of a disagreement between the parties as to such legitimate shipping or intrinsic value, it shall be determined by reference to the Board of Arbitration, or in case either party shall be dissatisfied with the decision of the Board of Arbitration, then such value may be determined by the Board of Appeals.

Legitimate
value of prop-
erty to be
considered in
adjusting
margins.

Sec. 4. Security shall be deposited with some well established bank or banking house of the City of Duluth which may be designated by the seller; and such deposit shall be held by said bank so designated

Deposits in
banks.

as security for the faithful performance of such contract.

Failure to deposit margins.

Closing of contracts in case of failure to deposit margin.

Closing out defaulted contracts.

Where notice may be served.

Sec. 5. Should any party called upon, as herein provided for, fail to deposit the security called within not later than the next one (1) banking hour thereafter, or before the close of regular banking hours, providing call is made one-half ($\frac{1}{2}$) hour before such close, the party making such call shall have the right, if he be the seller, to resell the property for account of the delinquent, such resale to be for the same delivery as was named in the original contract; if he be the buyer he shall have the right to repurchase the property for account of the delinquent, deliverable at the time named in the original purchase, and all differences between the contract price and the price at which the property may have been sold or bought (as the case may be) in consequence of such default shall constitute the rule and measure of damages against the party in default. Provided, that in case the party for security shall elect not to buy or sell the property as hereinbefore provided, he may have the right, by giving notice to the delinquent, to consider the contract then terminated at the market price of the property named for for the delivery specified in the contract. And the party so terminating the contract may forthwith proceed against the party so defaulting for the collection or enforcing payment of all damages sustained by reason of such default, and the rule or measure of such damages shall be the difference between the contract price and the market price (at the time of giving such notice) of the property named for the delivery specified in the contract.

Sec. 6. All notices for the call of deposits as security or for the closing of contracts under this rule may be served on the party called, either in person or by leaving a written notice at his office, or place of business, with some person employed therein, or may be served in person upon his authorized representative, or upon any clerk representing the party on the

floor of the Exchange; and in case the party called upon shall not be known to have a regular place of business, a written notice left in the office of the Secretary of the Board shall be deemed sufficient.

RULE XVII

Regular Warehouse and Registration

Section 1. The Board of Directors shall have power by a majority vote of its members present and voting at any meeting to declare any warehouse, public or private, "regular" on the Duluth Board of Trade, and shall have power at any time for any reason whatsoever by a vote of a majority of its members to declare any grain elevator or warehouse, public or private, theretofore "regular" to be no longer "regular" upon said Board within the meaning of these rules, without thereby releasing the owner of such elevator from the obligation of complying with all of its duties under these rules as a "regular" warehouse as to all grain then in such elevator.

Directors may declare warehouses "regular."

Sec. 2. Any person or corporation, the owner of one or more private grain elevators or warehouses at the head of Lake Superior, who may desire to have same declared "regular" warehouses by this Association, shall make application for that privilege in writing to the president, describing the location, name and capacity of the elevator or elevators. The proprietors or managers of such regular warehouses shall be in unquestioned good financial standing and credit. Such application shall be accompanied by a bond to the Duluth Board of Trade, in the form hereinafter prescribed, or in such other form as may be at any time hereinafter prescribed, by the Directors of said Duluth Board of Trade, for the benefit of said Board of Trade and of the holders of warehouse receipts hereinafter mentioned, in the sum to be determined in the manner hereinafter provided with at least two good and sufficient sureties upon said bond or with a good and responsible surety company as surety

Application by owners.

Shall give bond.

thereon, satisfactory to the Directors, which bond shall be conditioned on a strict compliance with the laws of the state in which such elevator shall be situated as to the management of such elevators and warehouses, and with the rules and regulations prescribed by this Association for the conduct of such elevators, and the decisions of the Duluth Board of Trade, or its Board of Directors, as to the registration of warehouse receipts and the delivery on demand, of all grain represented thereby, and also for the payment of such assessments as may be levied by the Association for expenses of registration.

Additional
bond may be
required.

Such application and bond shall be considered by the Board of Directors of this Association, who may at any time require a different or additional bond, in such sum and form as they may decide, and who may approve or disapprove said application and bond. Upon approval thereof, the Board shall declare the elevator or elevators "regular" and shall cause notice for such action to be duly posted on 'change.

Failure to
deliver.

In case of neglect or failure by any owner of a regular elevator or warehouse to obey any of the laws of said state relating to such elevators or warehouses, or any of said rules, regulations, or decisions, or any other matter referred to in said application and bond hereinafter provided for, the Board of Directors shall cause suit to be commenced upon said bond, and prosecuted for the benefit of the Board of Trade, or other person, firm or corporation entitled to the benefit thereof. And in case of the failure to deliver any grain called for by a warehouse receipt upon demand therefor, or in case of any other failure of said owner of such elevator to comply with any of the conditions of said bond, the Board of Directors shall cause suit to be commenced and prosecuted on said bond, for the benefit of the party or parties owning such warehouse receipt, or damaged by such failure, and shall cause the amount recovered thereon, less the necessary legal expenses, to be paid to said party or parties to the extent of the damages or losses sustained respectively

by them, or in such proportion as the amount recovered shall bear to the total of such dishonored warehouse receipt, or losses, on which such suit at law shall have been maintained.

The Board of Directors shall be the sole judges of failure to obey the rules, regulations and decisions herein provided, and of default upon warehouse receipts and may hear evidence or receive sworn affidavits from all parties concerned, but nothing in this rule contained shall be so considered as to lessen or change the right of any person or corporation to sue for, and recover, from said owner or elevator company any losses or damage he may have sustained.

Directors sole
judges of
failure to
deliver.

Sec. 3. Such warehouses shall be so situated that they can be conveniently connected by railroad tracks with one or more of the eastern railway lines, and have facilities for lake shipment. They shall be provided with modern improvements and appliances for the convenient and expeditious receiving, handling and shipping of grain in bulk.

Requirements
of ware-
houses.

Sec. 4. The proprietors or managers shall honestly and cordially comply with the requirements of the rules of the Board of Trade and furnish to the Secretary all needed information to enable him to keep a correct record and account of all grain together with the grade thereof, received and delivered by them daily, and of that remaining in store at the close of each week.

Must furnish
information
daily.

Sec. 5. The proprietors or managers of such warehouses shall promptly, by the proper publication, advise the trade and the public of any damage to grain held in store by them, whenever such damage shall occur to an extent that will render them unwilling to purchase and withdraw from store, at their own cost all such damaged grain, and the proprietors or managers of such private warehouses as are made regular shall waive the privilege of posting for condition any grain of contract grade in their houses, except corn.

Notice of
damage to
grain.

Sec. 6. Any important change in the condition of

Board may
declare no
longer regu-
lar.

any warehouse or disregard or evasion of the above requirement, shall at any time be a sufficient cause for declaring any such warehouse no longer a regular warehouse, within the meaning of the rules of the Board of Trade.

Amount of
bond.

Sec. 7. The person, firm or company, operating private warehouses which are regular shall file with the President of the Board of Trade, a bond, with good and sufficient sureties, to be approved by the Board of Directors, in the penal sum of not less than 15 cents per bushel, upon the capacity of the house, for each warehouse, made regular, conditional for the faithful performance of their duty as warehouseman, and their full and unreserved compliance with all the rules of the Board of Trade in relation thereto and for the indemnity of any holders of their house receipts against any loss or damage from any cause except by fire or the elements. Provided, that in the case of corn received for storage, the warehouseman may decline to assume the risk of loss or damage by heating, and may issue receipts containing the following clause: "Loss by fire, heating, or the elements is at owner's risk;" which receipts may be registered according to the provisions of this Rule.

Grain shall be
received for
storage in
regular ele-
vator under
certain con-
ditions.

Sec. 8. Upon the application to the proprietor or proprietors of a regular warehouse or elevator by the owner or consignee of grain, (such owner or consignee being a member of the Board of Trade of the City of Duluth) for storage in such regular elevator, the same being accompanied with evidence that all transportation or other charges which may be a lien upon the grain, including charges for inspection and weighing, have been paid, it shall be the duty of such proprietor either to receive the same in store, or, at the election of such proprietor, he may issue to such owner, or consignee, warehouse receipts for an equal amount of grain of the same grade and kind, for and in lieu of the grain so tendered for storage. In either case the warehouseman shall issue to the person entitled to

Warehouse
receipts.

receive it, a warehouse receipt for such grain, subject to the order of such owner or consignee, which receipt shall bear the date of the delivery of such grain and shall state upon its face the quantity and inspected grade of the grain represented thereby and that the grain mentioned on it is sold in store and that there is deliverable upon the return of the receipt, properly endorsed by the person to whose order it is issued, and the payment of proper charges for storage, an equal quantity of grain of the same grade and kind. All warehouses made regular under this rule shall be required to unload grain tendered for storage that is dry and in a suitable condition for warehousing, except that nothing in this section shall be construed so as to require the receipt of any kind of grain into any such warehouse in which there is not sufficient room to accommodate or to store it properly, or in case where such warehouse is necessarily closed. All warehouse receipts for grain issued by the same warehouse, shall be consecutively numbered and no two receipts bearing the same number shall be issued from the same warehouse during any one year, except in the case of a lost or destroyed receipt, in which case the new receipt shall bear the same date and number as the original, and shall be plainly marked on its face "Duplicate." Upon each receipt shall be given the date of the unloading into the elevator of grain covered by the receipt and the number of bushels.

Sec. 9. Upon the delivery of grain from store upon any receipt, such receipt shall be plainly marked across its face the word "Canceled" with the name of the person canceling the same, and shall thereafter be void, and shall not again be put in circulation, nor shall grain be delivered twice upon the same receipt. No warehouse receipt shall be issued, except on actual delivery of grain into store in the warehouse from which it purports to be issued, and which is to be represented by the receipts. Nor shall any receipt be issued for a greater quantity of grain than was contained in the lot or parcel stated to have been received. Nor shall more than one receipt be

Cancellation
of receipts.

issued for the same lot of grain, except in cases where receipt for part of a lot is desired, and then the aggregate receipt for a particular lot shall cover that lot and no more. In cases where a part of the grain represented by the receipt, is delivered out of store, and the remainder is left, a new receipt may be issued for such remainder, but the new receipt shall bear the same date as the original, and shall state on the face that it is balance of receipt of the original number, and the receipt upon which a part has been delivered, shall be canceled in the same manner as if it had been delivered. In case it is desirable to divide one receipt into two or more, or in case it be desirable to consolidate two or more receipts into one and the warehouseman consents thereto, the original receipt, or receipts, as the case may be, shall be canceled and a new receipt, or receipts, issued in lieu thereof for the same aggregate quantity of grain and of the same grade.

Division of receipts.

Must not modify receipts.

Delivery on receipts.

Sec. 10. No warehouseman whose receipts are made regular, shall insert in any receipt issued by him, any language in anywise limiting or modifying his liabilities or responsibilities as imposed by the laws of the state in which his elevator is situated.

Sec. 11. On the return of any warehouse receipts by him properly indorsed and the tender of all proper charges upon the property represented by it, such property shall be immediately deliverable to the holder of such receipt, and it shall not be subject to any further charges for storage after demand for such delivery shall have been made, and the property represented by such receipt be delivered within twenty-four (24) hours after such demand shall have been made, and the cars (or boat) for the same have been furnished ready for delivery, to the elevator.

Must furnish statements.

Sec. 12. It shall be the duty of every owner, lessee and manager of every regular warehouse to furnish in writing, under oath, at such times as the Board of Directors shall require and prescribe, a statement giving such facts as the Board of Directors may request concerning the condition and management of the business, as such warehouseman.

Sec. 13. There shall be appointed by the Board of Directors, a Registrar, who shall be an employe of the Association, and whose duties it shall be to act as registrar within the spirit and intent of Section 15 of this rule.

Appointment of registrar.

All bills for expenditures on account of this office shall be passed upon by the Board of Directors, as in the case of other disbursements, and shall be paid semi-annually to the Board of Trade by the warehousemen who operate as regular houses in proportion to the amount of grain received for storage (by storage is meant all grain received other than for straight transfer.)

Expenses of registration—How paid.

Sec. 14. They shall also be required to furnish daily to the said Registrar a correct statement of the amount of each kind and grade of grain received in store in such warehouse on the previous day, also the amount of each kind and grade of grain delivered or shipped by such warehouseman during the previous day, and what warehouse receipts have been canceled, upon which the grain has been delivered on such days, giving the number of each receipt, the amount, kind and grade of grain received and shipped upon each; also how much grain, if any, was so delivered or shipped and the kind and grade of it, for which warehouse receipts had not been issued, and when and how such unreceipted grain was received by them, the aggregate of such reported cancellations and delivery of unreceipted grain corresponding in amount, kind and grade with the amount so reported, delivered or shipped. They shall also at the same time report what receipts, if any, have been canceled and new ones issued in their stead, as herein provided for. And the warehouseman making such statements, shall, in addition, furnish the said Registrar any further information regarding receipts issued or canceled that may be necessary to enable him to keep a full and correct record of all receipts issued and canceled of grain received and delivered.

Daily statements to be made to registrar.

Registration
of receipts.

Sec. 15. Each owner of regular elevators or warehouses shall present to the Registrar each and every warehouse receipt for check and registration before the issuance of same to any person. The Registrar is directed to compare the same with the records of his office and if he shall find that the same is issued for grain actually received in store into the elevator or warehouse, and if for the correct quantity and grade of grain so received therein, as shown by the records in his office, he is directed and authorized to stamp the same with his official stamp as registered and to make record thereof in the proper books of his office.

Elevator
owner must
surrender
receipt.

On the surrender to any owner of regular elevator or warehouses of any elevator receipt registered for delivery or shipment out of the grain represented thereby, the same shall be by said elevator owner presented to the Registrar with a list showing the shipment made, for cancellation of the registration thereof, and that officer is directed and authorized to cancel such registration upon the receipt, by his official stamp, if the shipment or delivery shall be for the same quantity of grain as shall be certified by him to have been shipped on the cars (or boat) mentioned in said list, and he shall make due record of such cancellation on the proper books of the office.

Record of
weights
required.

The Registrar shall make no registration or cancellation of warehouse receipts, unless the same shall agree with the weights as certified to by the weighmaster of the State of Minnesota, or the weighmaster of the State of Wisconsin, as shown by the records thereof kept by him, and in case any differences shall at any time exist he shall institute a thorough examination therefor, and shall have such error corrected before affixing the stamp. If it shall at any time appear that any fraud in the issuance of warehouse receipts shall have been attempted, he shall at once report the same to the President of the Board of Trade.

In case by change of law or from other cause, there shall be no weighmaster of the State of Minnesota or of the State of Wisconsin, on duty in any elevator or

warehouse, weighmasters shall be appointed by this Board, and all reference in these rules to the state weighmaster shall be held to apply to the Board of Trade weighmaster so appointed; all such weighmasters shall be employees of the Association.

Sec. 16. Receipts issued for grain placed in special bins where the identity of such grain is to be preserved may be registered. Such receipts shall state the number of the bin in which the grain is to be stored, but need not state the grade of the grain, and they may be consolidated at the will of the owner without reference to the time limitations fixed in Section 9 of this rule. When grain is placed in a special bin and a warehouse receipt issued therefor, it shall be the duty of the elevator to put no other grain into, and take no grain from, said bin, until said warehouse receipt has been surrendered and canceled.

Special bin
receipts.

Sec. 17. No neglect or refusal on the part of the said Duluth Board of Trade, its officers, directors or employees, to secure or require or compel performance with any of said laws, or with any of its rules, regulations or decisions, by the principal obligor, and no knowledge or information that said principal obligor has not complied, or is not complying, with any of said laws, rules, regulations or decisions, shall in any way, or to any extent, limit, impair or affect the liability of both the principal and the surety upon any bond given by any person or corporation for the purpose of having any elevator made regular under this rule, as against any owner or holder of any warehouse receipt, (duly registered), which may be issued by said principal obligor during the term hereof, or otherwise.

No liability
on board.

Sec. 18. The following shall be the form of application to be made and the bond to be filed by elevators desiring to be made "regular" under the rules of the Duluth Board of Trade (except when otherwise provided by the Board of Directors):

Form of ApplicationForm of
application.

To the President of the Duluth Board of Trade:

Sir:—The undersigned hereby makes application to the Duluth Board of Trade to have.....

.....elevator.....of the town of

.....state of.....declared

"regular" by the Duluth Board of Trade, to the end that said elevator.....and all the ware-

house and elevator receipts issued for grain stored by the said.....shall have and be entitled

to the same rights, privileges and qualities, as are accorded to the elevators and warehouses now admitted as "regular" and to elevator and warehouse receipts regularly issued for grain stored therein, and does agree that the said elevator.....

will be managed strictly in accordance with the laws of the state in which it is located relating to such grain warehouses and elevators and that the business therein to be carried on and be conducted will be in strict accordance with the rules, regulations and decisions of the Duluth Board of Trade and its directors, relating to inspection, weighing, registering of elevator and warehouse receipts, general storage and elevator charges and in other particulars as are now or may hereafter be prescribed.

This application is accompanied by a bond in the sum of (\$.....) dollars in the form prescribed by your Board and the..... will furnish any other additional bond which may be required by the Board of Directors of the Duluth Board of Trade.

Signed.....

Form of Bond

Form of bond.

KNOW ALL MEN BY THESE PRESENTS, that.....

.....a corporation organized and existing under the laws of the state of.....

as principal, and..... as sureties, are held and firmly bound unto the Duluth Board of

Trade, a corporation organized and existing under the laws of the State of Minnesota, in the sum of..... \$.....) dollars, for the payment of which well and truly to be made, they bind themselves, and their respective successors, heirs, executors and administrators, jointly and severally, firmly by these presents.

IN WITNESS WHEREOF they have caused these presents to be duly signed and sealed this..... day of..... A. D., 19.....

The condition of this obligation is such that:

WHEREAS, the said principal in this bond has constructed a certain elevator or warehouse for the receiving, storing and shipping of grain, in the city of....., state of....., which is designated and known as follows:..... and is situated as follows:..... and

WHEREAS, the said principal in this bond has made application to said The Duluth Board of Trade, asking that said elevator..... should be declared "regular" by the said The Duluth Board of Trade, to the end that said elevator, and all the warehouse and elevator receipts issued for grain stored therein by said principal in this bond shall have and be entitled to the same rights, privileges and qualities as are accorded by said The Duluth Board of Trade to all other elevators now admitted as "regular" by said The Duluth Board of Trade, (and to elevator and warehouse receipts regularly issued for grain stored therein), and it is recited in such application that said elevator will be managed strictly in accordance with the laws of the state in which the same is situate now in force or hereafter enacted, and strictly in accordance with the laws and regulations which are now, or which may be adopted hereafter by The Duluth Board of Trade, relating to private warehouses and elevators declared "regular" and that the business therein to be carried on will be strictly in accordance with said laws

of said state, and with the rules, regulations and decisions of The Duluth Board of Trade, and its Board of Directors, relating to inspection, weighing, registering of elevator and warehouse receipts, general storage and elevator charges and in all other particulars, now in force or hereafter adopted, and

WHEREAS, the said Duluth Board of Trade has resolved, in reliance upon the representations of said principal in said bond, as to the manner in which the business of said elevator shall be conducted, and upon compliance with the requirements of said Board as to the giving of a bond to be approved by the Board of Directors of said The Duluth Board of Trade, to make and declare said elevator "regular" with all the attributes and qualities according to its well known meaning, and the usages and customs of said The Duluth Board of Trade; and

WHEREAS, a strict compliance with all of the laws of said state, and with all of the rules and regulations of said The Duluth Board of Trade relating to such warehouses and elevators, is essential for the continued existence and prosperity of said Association, and a violation of any of them will cause great damage to said Association, and to the interests of its members generally in their business dealing, in addition to the actual damage which may result therefrom to individual members of said The Duluth Board of Trade;

NOW, THEREFORE, if the said..... principal in this bond, shall at all times manage said elevator..... strictly in accordance with the laws of said state of..... now in force or hereafter enacted, and shall also promptly, fully, strictly and unreservedly comply with all of the rules and regulations now in force or hereafter enacted, and with all of the decisions of the Duluth Board of Trade and its Board of Directors, relating to the inspection and weighing of grain, registering of elevator and warehouse receipts, general storage and elevator charges, and all other matters relating to such

grain warehouses and elevators, and shall faithfully keep and care for all grain deposited in said elevator by any person or corporation, and shall deliver the same or an equal quantity of grain of the same grade and kind upon demand and upon the surrender of the warehouse receipt issued for said grain and the payment of the legitimate charges thereof, in as good condition as the same was received by said elevator (damage by fire or the elements excepted) and shall promptly and fully pay to every person or corporation who shall store grain in said elevator, all loss and damage which may occur to the same therein from any cause whatsoever, except damage thereto by fire or the elements, and if said principal in this bond shall also promptly and fully pay all losses, damage and expenses which may result to, or be suffered, by any person or corporation doing business with it, by reason of its failure to comply promptly and strictly with any of its contracts or with any if the laws of said State of

....., or with any of the rules, regulations or decisions of said The Duluth Board of Trade, or its Board of Directors, and if said principal in this bond shall promptly and fully pay to said The Duluth Board of Trade, its successors or assigns, in addition, to any and all actual damages which may be recoverable upon this bond by said The Duluth Board of Trade for the benefit of any other person or corporation, the sum of one thousand (\$1,000) dollars, as liquidated damages for each and every failure of said principal in his bond to comply with any law of said state of..... now in force or hereafter enacted, relating to the management of such grain warehouses or elevators, and for each and every failure of said principal in this bond to comply strictly and unreservedly with any rule or regulation now in force or hereafter enacted, by said The Duluth Board of Trade or any decision of its Board of Directors, relating to the inspection or weighing of grain, the registering of elevator and warehouse receipts, general storage and elevator charges, or any other matter

relating to such grain warehouses and elevators, then this obligation to be void, otherwise to remain in full force and effect.

It is understood and agreed that suit may be brought and recovery had, by said The Duluth Board of Trade upon this bond not only for its own benefit, but also for the benefit of any other person or corporation intended to be protected hereby whenever, and as often as, failure shall be made by the principal in this bond to comply with any of the requirements herein recited, but not exceeding in the aggregate the said sum of (\$.....) dollars.

It is further expressly understood and agreed that no neglect or refusal on the part of the said The Duluth Board of Trade, its officers, directors or employes, to secure or require or compel performance with any of said laws or with any of its rules, regulations or decisions, by the principal obligor, and no knowledge or information that said principal obligor has not complied, or is not complying, with any of said laws, rules, regulations or decisions, shall in any way, or to any extent, limit, impair or affect the liability of both the principal and the surety hereunder, as against any owner or holder of any warehouse receipt (duly registered), which may be issued by said principal obligor during the term hereof, or otherwise.

RULE XVIII

Official Sampler and Grain Sampling

Appointment
of official
samplers.

Section 1. The Board of Directors may, on or about August 1, annually, appoint an official sampler of grain and seeds. Any person desiring to act as official sampler of the Duluth Board of Trade shall make written application addressed to the Board of Directors, and such application shall have the written endorsement of at least ten members of the Association, and shall be submitted to the Board of Directors, and before being approved shall be posted on the bulletin of the Exchange for at least one week.

Sec. 2. The sample of grain taken from any car by the Official Sampler shall stand in all sales by sample as showing correctly the quality of grain in that car; provided, that when a new sample is taken on a car for re-inspection the new sample shall be the true sample of the quality of grain in the car.

What constitutes true sample.

Sec. 3. The Board of Directors may, from time to time, make such regulations governing the sampling of grain as it may be deemed advisable.

Sec. 4. The Board of Directors shall have power to establish, control and conduct a department for sampling grain and seeds in cars, cargoes, and otherwise, and to make regulations for its government and operation.

RULE XIX

Visitors

Section 1. Visitors may be introduced to the Exchange rooms upon such terms and for such time as the Board of Directors may from time to time determine. No person holding a visitor's ticket shall be permitted to negotiate or transact any business in the Exchange rooms. For any violation of this rule the privilege of visiting the rooms shall be forfeited.

Sec. 2. The Board of Directors may authorize the issuance of complimentary tickets of admission to the Exchange rooms to such persons as it may designate. But no person holding such ticket shall be entitled to vote or to transact any business in the Exchange rooms.

RULE XX

Smoking

Section 1. The Directors may at any regular meeting by a majority vote of those present, prohibit smoking in the trading room of the Board. Such action shall be enforced by the presiding officer, and for its violation he may enforce such penalties as are provided against other misdemeanors.

RULE XXI

Seal

Section 1. The Association shall have a seal bearing the words "The Duluth Board of Trade, Duluth, Minn.," around the outer edge, and "Corporate Seal" in the center, and to be one and five-eighths inches in diameter.

RULE XXII

Repeal

Section 1. All rules, regulations and by-laws in force at the time of the adoption of these by-laws, are hereby repealed, except that, as to all transactions entered into, and offenses committed, prior to the adoption of these by-laws, the rights, duties, penalties and procedure shall be the same as under the by-laws then in force.

RULE XXIII

Grain Futures Act Regulations

Grain Future.
Act
Regulations.

Section 1. Every member shall make, or file, such report and keep such record of his transactions as he is required to make, file or keep, by sub-clause (b) of Sec. 5 of the Act of Congress known as The Grain Futures Act, and if he shall fail to do so he shall be suspended by the Board of Directors from all privileges of membership until he shall comply with the said provisions of the said Act.

Sec. 2. No member shall disseminate any false, misleading or inaccurate report concerning crop or market information or conditions that affects or tends to affect the price of commodities, and any member who shall knowingly or carelessly disseminate such report shall be suspended by the Board of Directors from all privileges of membership for such period as the gravity of the offense committed may warrant.

No. 3. No member shall attempt to manipulate prices of commodities, nor corner or attempt to corner any grain, and any member who shall knowingly or intentionally violate the provisions of this section shall be suspended by the Board of Directors from all privileges of membership for such period as the gravity of the offense committed may warrant.

Sec. 4. The Board of Directors is authorized to take such other steps as may be necessary or advisable to make effective sub-divisions (c) and (d) of Section 5 of The Grain Futures Act.

Sec. 5. Any member who, under sub-clause (b) of Section 6 of said Grain Futures Act, shall be deprived of the privileges of trading in contract markets, shall be suspended from all privileges of trading on the Exchange of this Association for such period as may be specified in the order of the Secretary of Agriculture against such member.

Any member who shall accept, or execute, an order from any person who shall have been deprived of the privilege of trading in contract markets, shall be suspended from all privileges of membership in this Association for such time as the Directors, in their discretion, shall determine.

Sec. 6. In order to comply with the Act of Congress known as The Grain Futures Act, it is hereby provided that all rules of this Association shall be construed with reference to, and shall be deemed subject to, and modified by, the provisions of said Act.

Sec. 7. The Secretary shall make and file reports in accordance with provisions of sub-clause (b) of Section 5 of the Act known as "The Grain Futures Act."

RULE XXIV

Regulations for Execution of Orders from Non-member Corporations for the Purchase or Sale of Futures

Section 1. Any member, firm or corporation ac-

cepting orders for the purchase or sale of any of the commodities dealt in under the rules of this Association for future delivery, from a non-member corporation, shall obtain in advance from such non-member corporation a written authorization to the effect that the manager or officer of said corporation giving such order, or orders, is duly authorized by his corporation to buy or sell such commodities for future delivery under the rules and regulations of this Association for the account of his corporation, and the name shall be entered up on the books of the aforesaid member, firm or corporation accepting the same in the name of the corporation for which the order or orders were made. In addition to the regular confirmation prescribed by the rules, written notice of each transaction shall be mailed to some executive officer of the said corporation, other than the manager or officer giving the order. A violation of any of the provisions of this paragraph shall be punished by suspension for such period as the Board of Directors in its discretion may determine; provided, however, that in the opening of new accounts a reasonable time for the securing of such authorization for the first order may be allowed. This rule to be effective on and after June 1, 1922.

RULE XXV

Emergency Price Limitation

Section 1. The Board of Directors at any time upon ten hours' notice, may find and declare that an emergency exists during which there should be a limitation upon the daily fluctuations in the market prices of grains for future delivery. Upon such finding and declaration, the Board, by regulation, may provide that there shall be no trading for future delivery during any day in any specified grain at prices more than five per cent, or some higher specified percentage, above or below the average closing price of the preceding business day. Such an emergency may only be declared by an affirmative vote of two-thirds of the Board members present and an attendance of eight

directors shall be necessary to constitute a quorum for this purpose, and upon any subsequent motion to declare the emergency terminated, such emergency shall be deemed terminated unless two-thirds of the Board members present vote in favor of continuing the emergency. Any member who, during the existence of such emergency, enters into any contract, under the rules of this Association in violation of such regulations, shall be suspended, or expelled by the Board of Directors, after a hearing had in the manner described in Sec. 12 of Rule IV.

RULE XXVI

Business Conduct Committee

Section 1. The President, with the approval of the Board of Directors, shall appoint annually three members of the Association to serve as a Business Conduct Committee. In case of a vacancy the President, with the approval of the Board of Directors, shall fill the vacancy for the unexpired term. The full membership of the Committee shall be required to constitute a quorum, but in the absence of one member from a particular meeting, the members present may fill the Committee by temporary appointment for that particular meeting. All regular members of the Committee shall pledge themselves to the Association that they will not speculate for their personal account in any commodity which is traded in on the Duluth Board of Trade during the period of their service. The Committee shall be charged with the duty and authority to prevent manipulation of prices as provided in Section 5 (d) of the Grain Futures Act and shall have general supervision over the business conduct of members, particularly insofar as such conduct affects (1) non-member customers, (2) the public at large (3) the state government, (4) the federal government, (5) public opinion, and (6) the good name of the Association.

The Committee may investigate the dealings, transactions and financial condition of members, may examine their books and papers upon request. The Committee may employ such auditors and other assistants as they may deem necessary, and all expenses incident thereto shall be payable from the funds of the Association. Members under investigation shall be advised of the nature of the investigation, and may appear before the Committee and offer such testimony, explanation or justification as they may wish. If as the result of an investigation, the Committee finds that a particular course of conduct is, or thereafter would be, unfair or unjust, or in violation of the law or the rules of the Association or calculated to impair the good name of the Association, the Committee shall notify the member in writing of its conclusions, and direct such member to desist from such past or proposed conduct. The findings and conclusions of the Committee in the premises shall be final and without appeal. Any member who fails to appear before the Committee pursuant to its request, or to submit his books and papers to the Committee for their examination, or who conducts himself in violation of any order of the Committee after having been duly notified thereof, shall be charged with an offense against the Association, and if found guilty shall either be expelled or suspended by the Board of Directors. The procedure to be followed shall be that prescribed in Sec. 12 of Rule IV.

RULE XXVI

Purchase and Retirement of Memberships

Sec. 1. The Board of Directors shall have power to purchase and retire memberships in the Association whenever in its judgment the best interests of the Association will be advanced by such purchase; and shall have authority to, from time to time, fix the price at which memberships will be so purchased and retired, but said purchase price shall at no time exceed the sum of \$3,000 for each membership.

INDEX

—TO—

RULES AND BY-LAWS

Absence of Officers.....	22
Amendment of Rules.....	54
Annual Assessments, When Due.....	12, 43
Annual Election.....	8
Annual Meeting.....	54
Annual Report.....	25
Application for Membership.....	36
Appointment of Delegates.....	22
Appointment of Employees.....	12
Arbitration.....	26
Articles of Incorporation.....	3
Association Meetings.....	22, 54
Attorneys, Not Allowed at Hearings.....	21
Board of Appeals, Duties.....	29
Board of Appeals, Election, Term of Office.....	8
Board of Appeals, Failure to Comply with Award.....	16
Board of Arbitration, Duties.....	26
Board of Arbitration, Election, Term of Office.....	8
Board of Arbitration, Failure to Comply with Award.....	16
Board of Arbitration, Form, Service Complaint Etc.....	27, 28, 29
Board of Directors, Election, Term of Office.....	7
Board of Directors, Meetings.....	12
Board of Directors, Meetings, How Called.....	22
Board of Directors, Powers and Duties.....	11
Bond Required from Officers.....	12
Brokers and Agents.....	56
Bucket Shopping Prohibited.....	15
Business Conduct Committee.....	97
Buyers, Rights of.....	65
Calls for Security.....	77
Carloads, Number of Bushels Constituting.....	68
Charges, Manner of Hearing.....	18
Charges for Violation of Rules.....	14

INDEX TO RULES AND BY-LAWS

C. I. F. Brokers.....	56, 59
C. I. F. Contract Defined.....	75
Clearing House Delivery.....	71
Commission, Rates of.....	56, 57, 58, 59, 60
Commission, Rule, Violations.....	61
Commission Rule Violation, Hearing of Charges.....	63
Committees, Appointment.....	21
Committee on Membership.....	36
Complimentary Tickets.....	93
Contract Grades.....	63, 64, 65
Contract, Time, Failure to Deliver on.....	75
Contracts, Tenders on.....	70
Contracts, Maturity of.....	66
Contracts, Rights of Parties.....	65, 66
Contracts, Security on.....	77
Corporation Membership.....	40
Credit Clearing Department.....	23
Death of Members, Sale of Membership, Etc.....	51
Defaulted Contracts, Closing of.....	78
Delegates, Appointment of.....	22
Delinquent Dues.....	12, 43
Delivery by Notice.....	70
Delivery on Future Contracts.....	69
Delivery, Spot and in Store.....	66
Delivery Under Sales to Arrive.....	67
Directors, Board of, Election, Term of Office.....	7
Directors, Board of, Meetings.....	12, 23
Directors, Board of, Powers and Duties.....	11
Directors May Make Regulations Required by Law.....	24
Directors, When Forfeit Office.....	22
Discipline, Account Violation of Rules.....	14, 15, 16, 19
Disqualification in Trial Cases.....	26
Election, Annual.....	8
Election of Members.....	36
Elections, How Conducted.....	8
Elections, Special.....	9
Eligibility to Membership.....	39
Emergency Price Limitation.....	96
Emploves, Trading for, Prohibited.....	14
Exchange Meetings.....	14, 54
Expelled Members, Claims Against.....	50

DULUTH BOARD OF TRADE

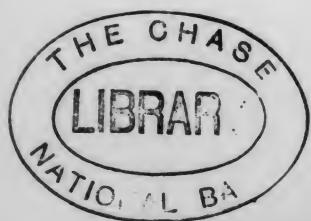
Expelled Members, Sale of Membership.....	52
Expelled Members, Reinstatement.....	21
Expulsion of Members.....	19
Failure to Deliver on Contracts.....	75
Failure to Elect Officers.....	9
Failure to Perform Contracts.....	16
Fees of Board of Arbitration and Appeals.....	33, 34
Fire Risk With Grain Buyers.....	74
Firm Membership.....	40
Failure to Keep Membership Agreement.....	18
Financial Statements Required.....	24
Government and Elections.....	7
Grain Futures Act Regulations.....	94
Interest on Advances.....	60
Legal Holidays, Provisions as to Contracts.....	66
Margins.....	76
Margins, Disagreement as to.....	35
Margins, Failure to Deposit.....	78
Maturity of Time Contracts.....	66
Members, Rates of Commission.....	60
Members, May Hold More Than One Membership.....	39
Membership.....	36
Memberships of Expelled Members, Sale of.....	52
Memberships, Application.....	36
Membership Certificate.....	37
Membership Committee.....	36
Membership, Firm or Corporation.....	40
Membership, Issuance by Board.....	37
Membership, Lien on.....	46
Membership, Objection to Transfer.....	38
Membership, Record in Name of Owners.....	43
Memberships, Sale of, Account of Death.....	51
Memberships, Sale of, Account Delinquent Dues.....	43
Memberships, Sale of, Under Liens or Claims.....	49
Memberships, Transfer.....	37
Memberships, Purchase and Retirement of.....	98
Nominations for Office.....	8, 9
Non-Resident Members, Voting by.....	55
Official Sampler.....	92
Opening of Navigation Defined.....	67

INDEX TO RULES AND BY-LAWS

Parties in Default Denied Representation	17
Payment for Grain Delivered	72
Penalties for Violation of Commission Rule	62
Plugged Cars, Acceptance of	68
President or Vice-President, Absence of	22
President, Duties of	10
President, Election	7
President, Filling Vacancies	11
Professional Counsel Not Allowed	21
Prompt Shipment Defined	67
Purchase and Retirement of Memberships	98
Quorum of Association	54
Quorum of Directors	7
Rates of Commission	56, 57, 58, 59, 60
Rates Between Members	60
Refusal to Arbitrate	16
Refusal to Testify	19
Registration of Memberships	43
Registrar, Appointment	85
Regular Delivery	69
Regular Sessions	56
Regular Warehouses, Form of Application and Bond	88, 89, 90, 91, 92
Regular Warehouses and Registration	78
Regulations Governing Trading for Non-Member Corporations	95
Reinstatement of Suspended Members	21
Removal of Officers or Employers	12
Resignation of Members	39
Rights of Parties on Contracts	63
Rights of Purchasers and Sellers	65, 66
Reward for Evidence of Violation of Commission Rule	63
Rules, Changes in	54
Sales to Arrive	67
Sales of Memberships, Account of Unpaid Dues	43
Sales of Memberships, Account of Death	51
Sale of Memberships, Under Liens and Claims	49
Sales of Memberships of Expelled Members	52
Sales of Memberships, Delinquent, etc., Procedure	53
Sales for First Half of Month, Defined	66

DULUTH BOARD OF TRADE

Sampler, Official and Grain Sampling	92
Saturday Deliveries, Maturity of Contracts	65, 66, 70
Secretary, Duties of	25
Secretary, Election of	12
Securities, Calls for	77
Securities, Deposit of	77
Seller's Guaranty of Title	68
Seller's Rights on Time Contracts	66
Smoking in Exchange Room	93
Special Meetings of Association	22
Special Meetings of Board of Directors	23
Special Bin Receipts	87
Special Committees	26
Special Elections	9
Standing Committees	21
Substitute Tickets	39
Suspension of Members	20
Suspended Members Cannot Trade	20
Tellers, Appointment and Duties	10
Trading in Time of War	76
Treasurer, Duties of	25
Treasurer, Election of	12
Transfer of Membership	37
Transfer of Membership, Objection to	38
Traveling Solicitors, Board May License	23
Uncommercial Conduct	14
Value of Property in Adjusting Margins	77
Vice-President, Election of	7
Vice-President, Powers and Duties	11
Violation of Rules	14, 15, 16
Violation of Commission Rule	61
Visitors	93
Voters, Qualification of	9
Violation of Membership Agreement	18
Warehouse Receipts for Deliveries	69
Warehouse Receipts of Regular Houses	82
Warehouses, Regular	79
Witnesses, Rights of	20



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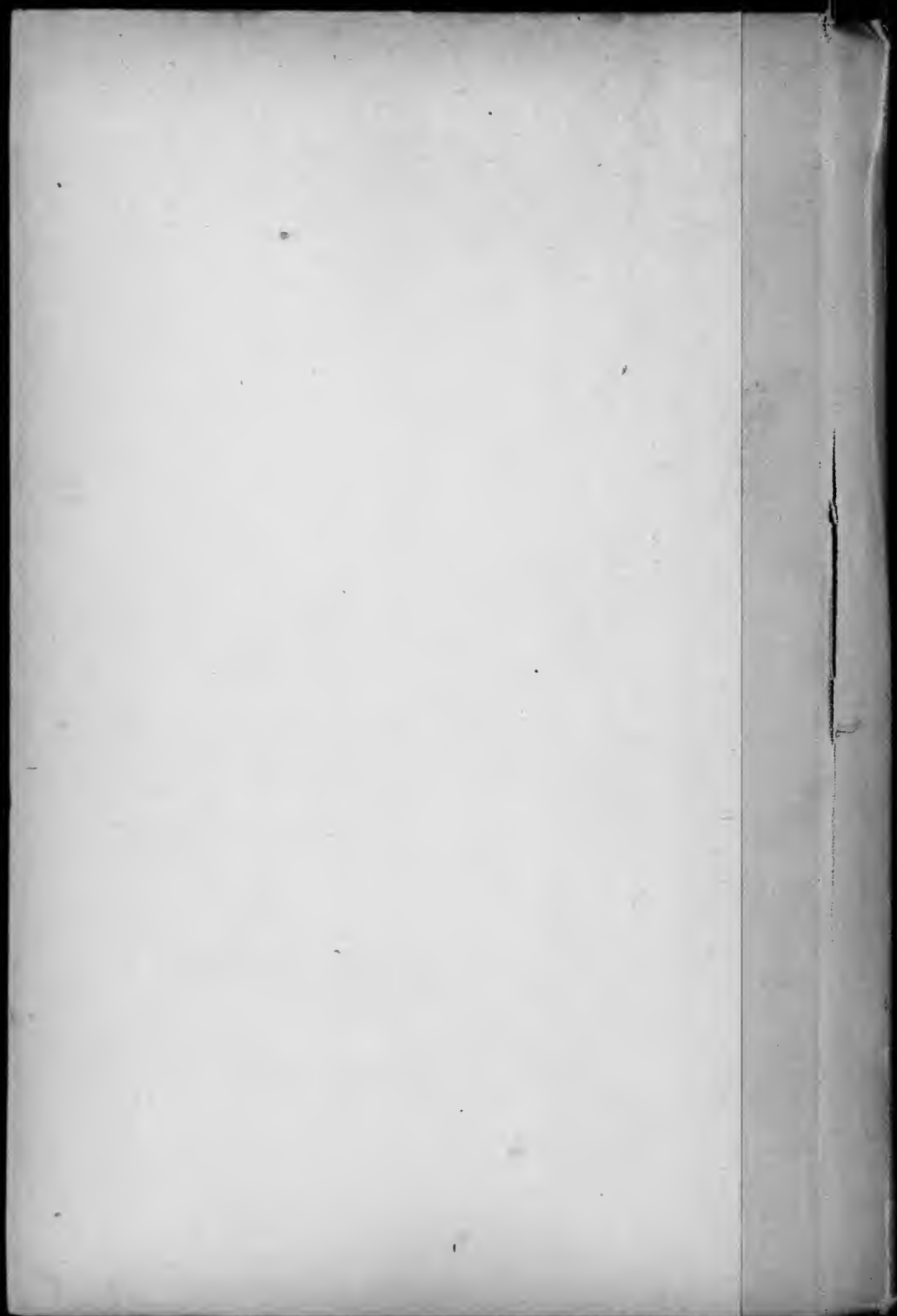
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